

23 exchange service?
24 A I would have to have clarification of
25 every definition and look at it before I could
0398
1 actually answer your questions accurately So I
2 don't believe I could answer your question
3 Q Okay. Did you --
4 A You can refer those to Wes
5 Q Did you look at all of those sources
6 when you were attempting to answer the questions
7 as you understood them and are contained in
8 Exhibit 20?
9 A "All those sources"?
10 Q Yes, ma'am.
11 A Yes. And I answered this as if we were
12 the provider.
13 Q I see. Okay. And so the fact that
14 there is a -- there are two carriers involved
15 might have changed your answer on Exhibit 20?
16 A No. I don't know that it would have
17 changed the answer. Are we referring to Answer
18 a ? "The provision of the service by the ILEC
19 to the ISP is information access as defined by
20 the FCC "
21 Q Okay Would it change your answer to
22 b.?
23 A "Is the call 'telecommunications
24 service' as defined " "See a "
25 Q Okay And would it have changed
0399
1 your -- I'm sorry I don't think I got an
2 answer. Would it have changed your answer?
3 A No
4 Q Okay And c , does the
5 participation -- like two carriers rather than
6 just a single ILEC --
7 A No
8 Q -- wouldn't have changed c Okay So
9 is it your contention that the service that ASAP
10 is providing to its ISP customers is not a
11 telecommunications service?
12 A I am -- I do not know what ASAP
13 provides to the ISP I know that the traffic
14 itself is information services
15 (ASAP Exhibit Nos 21 and 22
16 marked)
17 MS. BROWN Which one is which?
18 MR. McCOLLOUGH The response is
19 21 and the brief is 22
20 Q (By Mr McCollough) Ms. Smith, do you
21 have before you what's been marked by the court
22 reporter as ASAP Exhibit No 21?
23 A Yes, sir
24 Q Does that appear to be CenturyTel's
25 response to Level 3's petition for arbitration
0400
1 in PUC Docket 26431, Petition of Level 3
2 Communications for Arbitration Pursuant to 47
3 U.S.C. 252 of Interconnection Rates, Terms and
4 Conditions with CenturyTel of Lake Dallas, Inc.

5 and CenturyTel of San Marcos?
6 A Yes, sir
7 Q Are you participating in PUC Docket
8 26431?
9 A Yes, sir
10 Q Have you seen this document?
11 A Yes, sir
12 Q Does this look like CenturyTel's
13 response?
14 A Yes, sir
15 MR McCOLLOUGH Offer 21
16 MS BROWN Your Honor, I object
17 on the grounds of optional completeness. This
18 is only the text portion and does not include
19 the attachments I would like to reserve the
20 right to supplement
21 JUDGE WALSTON Okay
22 MR McCOLLOUGH She may. She has
23 that right
24 JUDGE WALSTON Exhibit -- ASAP
25 Exhibit 21 will be admitted subject to
0401
1 CenturyTel supplementing the exhibit with
2 additional documents that go with it
3 (ASAP Exhibit No 21 admitted)
4 MR. STEWART Your Honor, may I
5 also just take a moment, because of the curious
6 coincidence that I --
7 JUDGE WALSTON I see your name on
8 there
9 MR STEWART -- happen to be the
10 Arbitrator in the matter that's referred to
11 here, I just want to take an opportunity to make
12 the statement that I will not consider these
13 events in this proceeding in that proceeding
14 unless appropriate and permissible to do so
15 JUDGE WALSTON Okay That's
16 fine
17 MR McCOLLOUGH And I'll say for
18 the record, I didn't know that he was the
19 arbitrator
20 Q (By Mr McCollough) Okay Can you
21 take a look at what's been marked as ASAP
22 Exhibit 22?
23 A Yes, sir
24 Q Does this appear to be CenturyTel's
25 brief on Issue No 1 is Docket 26431?
0402
1 A Yes, sir I mean, I don't know if that's
2 is the entire thing
3 Q Well, I meant for it to be
4 MS BROWN Your Honor, this is
5 not signed
6 MR McCOLLOUGH I pulled it off
7 the PUC Web site
8 MS BROWN Oh, the dot com
9 MR McCOLLOUGH My intention is
10 to offer both of these -- both 21 -- I've
11 already offered 21 -- both 21 and 22 And my
12 intention was that it be a true and correct

13 copy And to the extent CenturyTel desires
14 complete versions of these two exhibits --
15 MS BROWN But, your Honor, I
16 would ask for what purpose is this being
17 offered
18 MR MCCOLLUGH I am going to ask
19 the witness a -- hopefully -- short series of
20 questions about the decision that CenturyTel is
21 taking in that docket for purposes of
22 determining whether --
23 WITNESS SMITH This is a legal --
24 MR MCCOLLUGH -- that position
25 is consistent with this position in this case
1 MS BROWN So, your Honor, there
2 are factual representations in the brief. If
3 it's being offered solely to reflect a legal
4 position taken by CenturyTel in another
5 proceeding, then I have no objection
6 MR MCCOLLUGH That is the
7 intent, your Honor
8 JUDGE WALSTON All right Do you
9 need to verify that this is it, or do you just
10 want to make it subject to verification?
11 MS BROWN Please Thank you
12 JUDGE WALSTON ASAF Exhibit
13 No 22 will be admitted subject to verification
14 by CenturyTel
15 (ASAF Exhibit No 22 admitted)
16 Q MS Smith, in this case -- the ASAF
17 case -- does CenturyTel take the position that
18 ASAF must be certified by the Texas
19 Commission in order to be authorized to provide
20 PSTN connectivity to ISPs?
21 A We take the position that it has
22 traffic is being used for land-to-land
23 termination, then he must be CLEC certificated
24 Q By the state?
25 A By the state
0404
1 Q Okay Does that mean, therefore, that
2 CenturyTel is taking the position that what ASAF
3 provides to the ISPs is basic local
4 telecommunication service?
5 MS BROWN Your Honor, we've had
6 extensive briefing on this issue It is a
7 complicated legal issue I don't want to cut
8 off the cross-examination, but I believe that
9 this is better handled by brief than by
10 cross-examination
11 WITNESS SMITH This is a pure
12 legal brief
13 JUDGE WALSTON Well, I was about
14 to say, if you can answer the question, you can,
15 if you don't know, just state that you can't
16 answer.
17 A This is a legal brief that is before
18 this PUC to determine -- --
19 Q (By Mr McCollough) So you don't know
20 whether -- and I'm sorry I didn't mean --

21 A No. I am not the right party to ask
22 those questions to
23 Q You don't know whether the service
24 falls into one of the statutory classifications
25 in the Texas Act that may require certification,
0405
1 such as basic local telecommunication service,
2 local exchange service, or switched access
3 service? You don't have a position on whether
4 it's any of those three?
5 MS BROWN Your Honor, I'll
6 object to the question because it doesn't define
7 the services that he's asking the witness to
8 determine are or are not within a statutory
9 definition He just said --
10 JUDGE WALSTON: I wasn't clear
11 you are talking about ASAF and not about Level
12 3
13 MR MCCOLLUGH I'm talking about
14 ASAF
15 JUDGE WALSTON Okay Why don't
16 you try and restate your question because it was
17 a little fuzzy to me, too
18 Q (By Mr McCollough) I think I heard
19 you say a minute ago that ASAF must be
20 certificated by the Texas Commission in order to
21 provide what you deem -- call
22 "land-line-to-land-line communications"?
23 A (Witness nodded head)
24 JUDGE WALSTON You need to answer
25 out loud
0406
1 A Yes, sir
2 Q (By Mr. McCollough) Do you have an
3 understanding or opinion on whether this
4 land-line-to-land-line communications is basic
5 local telecommunication service?
6 A Land-line-to-land-line
7 telecommunication is telecommunication
8 services
9 Q Okay Do you understand -- let me just
10 ask you to assume that in the Texas Act
11 requiring certification, an entity must obtain a
12 certificate in order to provide basic local
13 telecommunication service as defined.
14 A Oh-huh
15 Q Local exchange service as defined or
16 switched access service as defined Okay?
17 A Yes, sir.
18 Q Do you have a position on whether ASAF
19 is providing -- when it's providing what you
20 deem to be land-line-to-land-line connections to
21 the ISPs, whether it is providing telephone --
22 basic local telecommunication service, local
23 exchange service or switched access service?
24 A Or a combination thereof
25 Q Or a combination?
0407
1 A Or a combination thereof I would deem
2 it to be providing a combination thereof

3 Q Okay Is this intrastate?
4 MS BROWN: Your Honor, I object
5 to the question. Is what intrastate?
6 JUDGE WALSTON: That's what I was
7 about to ask is what specifically are you
8 referring to?
9 Q (By Mr McCollough) When ASAP is
10 providing the land-line-to-land-line connections
11 to the ISPs from end users who use another
12 carrier, is that intrastate service?
13 MS BROWN: Your Honor, again,
14 this is a complicated legal argument. It is one
15 of the ultimate issues in this proceeding. And
16 I do not know what it is other than the
17 positions that CenturyTel has expressed in its
18 briefs that Mr McCollough is trying to inquire
19 of with respect to CenturyTel's position. I
20 think this line of questioning is much better
21 handled by brief.
22 JUDGE WALSTON: Yeah,
23 Mr. McCollough, I was just thinking in the
24 direct testimony and the rebuttal testimony,
25 I've allowed witnesses to -- if they want to
0408
1 voluntarily render legal opinion, I've more or
2 less let them do it and tie it to facts. Now,
3 she's not -- you're not a lawyer, as I
4 understand it. Correct?
5 WITNESS SMITH: No.
6 JUDGE WALSTON: On
7 cross-examination and trying to force her to
8 give a legal opinion, I think I would sustain an
9 objection on that.
10 MR MCCOLLOUGH: Let me ask the
11 question another way.
12 Q (By Mr. McCollough): Do you have a
13 position on whether the service provided by ASAP
14 to its ISPs is intrastate?
15 MS BROWN: Your Honor, I would
16 object on the same grounds.
17 JUDGE WALSTON: Well, he's asked
18 her if she has an opinion. If she does or
19 doesn't --
20 MS BROWN: Okay.
21 A: I don't know that I can answer that.
22 The service -- are we talking about the content
23 of the call, the -- or are we talking about the
24 service that's being provided? The service
25 that's being provided is intrastate service.
0409
1 The content of the call could be various
2 jurisdictions.
3 Q (By Mr McCollough) Is it information
4 access?
5 MS BROWN: Your Honor, I would
6 object again. These are terms that are defined
7 by statute, and they are complicated legal
8 issues. And we don't have -- the question is
9 also vague because it says: "Is it information
10 access?" In order to answer that question, we

11 have to describe what it is, which --
12 JUDGE WALSTON: Right. And,
13 Mr. McCollough, as I've said before, I don't
14 know if I will give any weight to these
15 laypeople's opinions to these legal questions,
16 anyway.
17 MR MCCOLLOUGH: I'll tell you the
18 truth, Your Honor --
19 MS BROWN: And it seems to me,
20 Your Honor, that it's inappropriate to try to
21 buttonhole a witness as to her personal opinion
22 when what matters is the position that's stated
23 in the briefs of the company. You know, that --
24 JUDGE WALSTON: Go ahead.
25 Mr. McCollough.
0410
1 MR MCCOLLOUGH: That's fine. I
2 will tell you that I'm trying to establish the
3 factual predicate for issue preclusion, because
4 I'm of the firm opinion that CenturyTel's
5 position in the Level 3 case is inconsistent
6 with the position that it is taking in this
7 case. CenturyTel has not clearly expressed in
8 brief or in any pleadings whether it
9 affirmatively says that ASAP must get a
10 certificate. The witnesses allude to it. And
11 so I'm trying to establish a record and factual
12 predicate to determine whether the service that
13 CenturyTel says is interstate and outside the
14 Texas Commission's jurisdiction in the Level 3
15 case is intrastate and subject to the Texas
16 Commission's jurisdiction in this case. It's an
17 issue preclusion and I have a right to establish
18 a factual predicate.
19 JUDGE WALSTON: I understand that.
20 And you have offered their briefs and some of
21 their documents in the Level 3 case. I just
22 don't know that this is the right witness to say
23 what their legal position is or is not because
24 she's not an attorney.
25 MR MCCOLLOUGH: Thank you. So I
0411
1 gather you are sustaining the objection.
2 JUDGE WALSTON: Sustaining the
3 objection. I think we need to move on to some
4 other areas.
5 MR MCCOLLOUGH: I'm sorry. I had
6 to get the ruling.
7 JUDGE WALSTON: That's fine.
8 MS BROWN: Your Honor, and we
9 will be glad to respond to a motion, but I think
10 that's the sort of thing that's handled best by
11 motion.
12 JUDGE WALSTON: Well, I think he
13 is entitled to show that an inconsistent
14 position was taken, you know, in another case,
15 which he has done with -- I don't know if it's
16 inconsistent or not, but at least he's offered
17 Exhibits 21 and 22. I just don't believe this
18 is the right witness to be testifying to the

1 question, "if you know
2 A I don't know.
3 Q (By Mr. McCollough) You don't know.
4 (ASAP Exhibit No. 23 marked)
5 Q (By Mr. McCollough) Ms. Smith, do you
6 have in front of you what has been marked by the
7 court reporter as ASAP Exhibit 23?
8 A Yes, sir.
9 Q I'd like to focus your attention on the
10 51 100 part. Do you see that there?
11 A Yes, sir.
12 Q Does this appear to be 47 CFR 51.100,
13 the FCC rules regarding general duty of
14 telecommunications carriers?
15 A Yes, sir.
16 Q Okay. Take a --
17 MR. MCCOLLOUGH: I'm sorry. Offer
18 23
19 JUDGE WALSTON: Any objection?
20 MS. BROWN: Your Honor, it's a
21 regulation. I don't think it needs to be
22 offered into evidence. I mean --
23 JUDGE WALSTON: It probably
24 doesn't hurt to be offered or -- either way.
25 MS. BROWN: That's fine.
0415
1 JUDGE WALSTON: ASAP Exhibit 23
2 will be admitted.
3 (ASAP Exhibit No. 23 admitted)
4 Q (By Mr. McCollough) Does 51.100(b)
5 reference your recollection as to FCC regulations
6 regarding a carrier's ability to provide
7 information service over an interconnection
8 trunk when it is also providing
9 telecommunications services?
10 A As long as it is offering
11 telecommunications services.
12 Q Do you have an opinion as to whether
13 text messaging is an information service or
14 telecommunications service?
15 A Text messages?
16 Q Yes, ma'am.
17 A I would -- in my opinion, it's
18 information services.
19 Q All right. When a CenturyTel end user
20 calls an NXX of ASAP's -- a number within an NXX
21 block of ASAP's, one of the three NXXs at issue
22 here. The Fenitres, Kyle and Lockhart
23 numbers -- as at your position that CenturyTel
24 terminates that call to ASAP's switch in Austin?
25 A That is the point of interconnection.
0416
1 That is the point that the call is handed off to
2 ASAP, yes.
3 Q Does CenturyTel terminate the call at
4 ASAP?
5 A No. We provided the transport
6 You provide a transport between end
7 user and end-office switch, and end-office
8 switch and the hub in San Marcos. Correct?

9 legal positions of the company. And I don't
20 think -- if she gave a personal opinion, it
21 wouldn't be binding on the company, and if she
22 gave an opinion on the law, it's not binding on
23 me or the PJC anyway.
24 MS. BROWN: And issue preclusion
25 doesn't attach to their decision. And the
0417
1 positions are not inconsistent and we will set
2 that out in the brief.
3 JUDGE WALSTON: All right. Let's
4 move on with Ms. Smith.
5 MR. STEWART: Your Honor, were
6 those exhibits admitted?
7 JUDGE WALSTON: Yes. They were
8 admitted to -- subject to CenturyTel verifying
9 that they are accurate and complete.
10 MS. BROWN: Your Honor, there have
11 been some other exhibits marked but not offered.
12 MR. MCCOLLOUGH: That's correct.
13 The various interconnection agreements, the ones
14 that I did not offer. I intended to not offer
15 because I felt in good faith I hadn't
16 established an appropriate predicate.
17 JUDGE WALSTON: Right. I assumed
18 that to be the case.
19 Q (By Mr. McCollough) Is voice mail an
20 information service or a telecommunication
21 service?
22 MS. BROWN: Your Honor, I will
23 again object "information services" is a
24 statutorily-defined term.
25 JUDGE WALSTON: Well, if she -- if
0418
1 it's -- I'll let her try to answer it, if she
2 can. If she can't, say you don't know. But --
3 A In my opinion, voice mail is an
4 information service.
5 Q (By Mr. McCollough) All right. Do you
6 have an opinion as to whether ASAP is violating
7 any FCC rule by providing voice mail to its
8 paying customers in using interconnection trunks
9 provided by ILECs as part of that service?
10 A If its arrangement for the use of its
11 interconnection allows him to send voice mail or
12 any other -- I mean, that is between he and the
13 provider.
14 Q Well, I'm sorry. Maybe you didn't
15 understand my question. I was asking if ASAP
16 was violating any FCC rule, not interconnect
17 agreement.
18 A No, not that I'm aware of.
19 Q So a carrier who has interconnection
20 for purposes of providing telecommunications
21 service can also use interconnection trunks to
22 provide information service, can't it?
23 MS. BROWN: Your Honor, again --
24 JUDGE WALSTON: If she can answer
25 it, if she can't just say, "I can't answer the
0419

9 A That's very questionable on whether
10 I -- because it went across that toll
11 facility -- that I have the right to use from
12 Southwestern Bell, but I pay them for the
13 transport, and Southwestern Bell is only in the
14 middle, whose responsibility that was and who
15 provided that transport and whose cost --

16 Q Has Southwestern Bell sent CenturyTel a
17 bill for transport costs associated with the
18 calls that are being routed from CenturyTel end
19 users to ASAP end users pursuant to the interim
20 order?

21 A Has Southwestern Bell stated they have
22 the right to send a bill? Yes

23 Q That's not the question We were going
24 to get to that in a second Have they sent you
25 a bill?

0417
1 A I don't know that they have sent a bill
2 at this point in time

3 Q Are you aware of a bill?

4 A I'm not the right person to answer
5 that. I don't -- I personally am not aware of a
6 bill.

7 Q I'm sorry. Mr Navarrette said that
8 you were the person in his deposition, and
9 that's why I asked you. So you're not the
10 person?

11 A I am not the person that would see the
12 bill So I cannot verify whether we have or
13 have not

14 Q Has Southwestern Bell indicated an
15 intention to send a bill to CenturyTel?

16 A Southwestern Bell has stated that -- I
17 mean, that is transiting and that they have the
18 right to bill

19 Q To bill CenturyTel?

20 A Either party

21 Q So Southwestern Bell has communicated
22 to CenturyTel that it has the right to bill
23 CenturyTel for the transit?

24 A For the use of that transport.

25 Q Associated with Southwestern Bell's

0418
1 transit service for the calls in issue during
2 dependency of the Interim Order?

3 A Yes

4 Q You've read the TSR decision by the
5 FCC, haven't you?

6 A Yes, sir

7 Q Doesn't that decision say that the CMRS
8 carrier is the one who is responsible for
9 transit in the situation where an ILEC provides
10 transit between another ILEC?

11 A Isn't there further clarification that
12 the CMRS user could then go back to the
13 originating party?

14 Q Yes We're together on that

15 A Yeah We're back to what I stated

16 Q Okay So based on your understanding

17 of the regulatory rules, Southwestern Bell
18 really can't look to CenturyTel for payment for
19 the transit, but rather, Southwestern Bell can
20 bill ASAP, which may have the right to go back
21 against CenturyTel?

22 A I don't think that's what it said It
23 said that they could bill ASAP

24 Q Does it --

25 A It does not preclude them from trying

0419

1 to directly obtain their compensation from the
2 originating party

3 Q Didn't the FCC address that in the
4 TexCom case, too, where TexCom had asserted a
5 double-recovery by the ILEC?

6 MS BROWN Your Honor, if -- I
7 object to the form of the question If

8 Mr McCollough wants to represent what an order
9 says or ask her a question with respect to an
10 order, I think he should present the language to
11 her that he's asking her to confirm or not
12 confirm

13 JUDGE WALSTON Is this something
14 that could be covered in argument, anyway?

15 MR MCCOLLOUGH It is, but I'm
16 trying to get to the cost responsibility piece
17 here And at least I want to get some kind of
18 understanding from the witness on whether we
19 agree on who bears cost burden in this, and I
20 thought we were close for a minute

21 JUDGE WALSTON I think she stated
22 her position of what she understands it to be

23 Q (By Mr McCollough) Regardless of what
24 Southwestern Bell may be indicating, would you
25 agree with me that the rule probably is that

0420

1 Bell can bill ASAP and ASAP may have the
2 opportunity to then bill Century?

3 A I don't agree that the rule says that
4 they could only bill the terminating party, no

5 Q Is it likely they're going to be able
6 to double-recover?

7 A No I do not believe that they have
8 the right to double-recover, but the rule does
9 not specifically say that they can only bill the
10 terminating party

11 Q Would CenturyTel have -- I'm trying to
12 think of an appropriate word The only one that
13 comes to mind is "angst," and I'm sorry Would
14 y'all have a lot less concern about the effect
15 of the interim order if CenturyTel were somehow
16 immunized, held harmless from the transit from
17 Southwestern Bell?

18 A That's part of -- some of these
19 agreements that you have produced, you will note
20 that that language is in there

21 Q Okay Is that the only concern that
22 CenturyTel has here? I'm just trying to
23 characterize this Is it a major concern, the
24 only concern?

25 A I can't know that is the only concern
0421 that is presented here
1 Q CenturyTel does want to make sure that
2 it doesn't get stuck with the transport --
3 A Right There are many issues that if
4 we would sit down and negotiate an agreement
5 that we wouldn't be here today
6 Q Well, calls do not terminate at a point
7 of interconnect, do they? And I'm changing
8 subjects, by the way
9 A Are you saying that there's an end user
10 out there eventually? Are calls handed off at a
11 point of interconnect? What are you asking me?
12 Q Well, just during the discussion
13 yesterday and today, including by Ms. Brown when
14 she was cross-examining Mr. Gactjen, and
15 sometimes even in the testimony, I had thought I
16 had heard a reference CenturyTel is terminating
17 a call to ASAP's switch?
18 A No We are transporting a call to
19 ASAP's switch
20 Q Okay And ASAP is the one performing
21 the termination. Right?
22 A Correct
23 Q Termination is the part of the call
24 from the receiving carrier's switch to the
25 customer. Right?

1 A Yes And that customer could be
2 located within the MTA, or he could be located
3 outside of the MTA.
4 Q The part from end user in San Marcos
5 through the switch in San Marcos to the
6 Greenwood tandem and even to ASAP's switch in
7 Austin is not termination, is it?
8 A No It's transport
9 Q Okay On Page 15 of your testimony,
10 Lines 10 to 11 --
11 JUDGE WALSTON I'm sorry Which
12 page did you say?
13 MR McCollough Page 15.
14 JUDGE WALSTON I
15 Q (By Mr. McCollough) You say there in
16 your testimony: "ELCS requires each LEC to
17 furnish its own facilities to an agreed upon
18 meet point." Do you see that?
19 A Uh-huh
20 Q Is it your --
21 A Yes, sir, I did
22 Q Is it your understanding that the ELCS
23 rules expressly require establishment of
24 facilities to a meet point?
25

0422
1 A That is my understanding I am not --
2 Q That it is expressly set out in the
3 rules? I'm sorry I didn't mean to cut you
4 off. Is it possible that, perhaps, that's just
5 an ILEC practice as opposed to something
6 required by the rules?

7 A The rule would state that it's traffic
8 that originates and terminates within a
9 mandatory local calling area
10 Q I'm just talking about what you assert
11 to be a requirement on Lines 10 and 11.
12 A That is my interpretation
13 Q You're not aware of express wording in
14 a particular PUC rule that says that?
15 A You'd have to refer that to my legal --
16 Q Okay Is it, however, an ILEC
17 practice, isn't it?
18 A Yes, sir
19 Q We're almost done Let's go back to
20 the switched access charges that ASAP would pay
21 under the memorandum of understanding that was
22 proposed by CenturyTel this time last year
23 A Yes, sir
24 Q We discussed a little bit the carrier
25 common line charge, whether it would be

0424
1 included
2 A And which component of carrier common
3 line?
4 Q The usage sensitive?
5 A Originating or terminating?
6 Q I don't know I was going to ask you
7 that
8 JUDGE WALSTON I'm not sure we
9 have a question on the table, yet What's your
10 question to the witness?
11 Q (By Mr. McCollough) Would the
12 originating carrier common line charge be
13 included in the access charges that were
14 assessed?
15 A If there is an originating carrier
16 common line
17 Q Assume that the call is coming from one
18 of the CenturyTel end users
19 A If there is an originating carrier
20 common line component And I would have to look
21 at those tariffs to determine whether there was
22 an originating carrier common line
23 usage-sensitive element in those tariffs.
24 MS. BROWN: Your Honor, if -- we
25 will be happy to identify what the intrastate

0425
1 switched access rate elements are I believe
2 that the originating carrier common line rate
3 element has been eliminated or very
4 significantly reduced, and we have not had an
5 opportunity to check what the -- what the time
6 period of that rate change was and when it
7 became effective
8 But I will express that to you and to
9 Mr. McCollough as an explanation for some of the
10 witnesses' lack of knowledge of the specific
11 rate elements and whether they would still exist
12 or apply
13 MR McCollough Okay
14 (Sotto voce discussion between

15 Mr. McCollough and Ms. Brown) I pulled that out
 16 of your tariff this morning
 17 MR. MCCOLLOUGH I understand you're
 18 saying that
 19 From the PDC?
 20 MR. MCCOLLOUGH Yes
 21 MS. BROWN I would like the
 22 witness to have the opportunity to confirm that
 23 whatever these tariff pages are are the
 24 up-to-date tariff pages
 25 MR. MCCOLLOUGH Okay.
 0426

1 JUDGE WALSTON So --
 2 MR. MCCOLLOUGH And maybe we
 3 could cut this short. If CenturyTel will commit
 4 to supply within the next, you know, week or
 5 so -- a reasonable period -- the specific rate
 6 elements that it would have assessed under that
 7 proposal, and the current prices for them, I can
 8 save some questions with the witness
 9 WITNESS SMITH Sure
 10 JUDGE WALSTON Is that agreeable,
 11 Ms. Brown?
 12 MS. BROWN That's agreeable. And
 13 to make sure --
 14 WITNESS SMITH We would always
 15 provide that
 16 MS. BROWN To make sure I
 17 understand, we'll provide the rate elements that
 18 would have applied under the memorandum of
 19 understanding that Gary Barker tendered to ASAP
 20 a year ago, but using the current rates.
 21 MR. MCCOLLOUGH That's fine
 22 MS. BROWN: Just to be clear
 23 MR. MCCOLLOUGH That's fine
 24 Yes, I still need the picture
 25 (ASAP Exhibit No. 24 marked)
 0427

1 Q (By Mr. McCollough) Do you have in
 2 front of you what's been marked by the court
 3 reporter as ASAP Exhibit No. 24?
 4 A Yes, sir.
 5 Q I'll represent to you that we pulled
 6 this from CenturyTel's Access Tariff at the PDC
 7 today. What I'd like to see is -- discuss it
 8 the picture that's there. Okay?
 9 A Okay
 10 Q Have you seen the picture before?
 11 A Yes, sir.
 12 Q Does that appear to be out of
 13 CenturyTel's Access Service Tariff, Original
 14 Page 6-7?
 15 A It appears to be, yes, sir.
 16 MR. MCCOLLOUGH Offer 24
 17 JUDGE WALSTON Any objection?
 18 MS. BROWN Your Honor, I'd like
 19 the opportunity to verify
 20 JUDGE WALSTON Okay
 21 MR. MCCOLLOUGH Sure
 22 JUDGE WALSTON Subject to

23 verification, ASAP Exhibit No. 24 will be
 24 admitted
 25 (ASAP Exhibit No. 24 admitted)
 0428

1 Q (By Mr. McCollough) We've saved some
 2 time, because we don't have to talk about rate
 3 levels. Let's try to very quickly go through
 4 the rate elements themselves. Starting at the
 5 end user and going from end user to end office,
 6 down there where it says "CI", that's common
 7 line. When the carrier common line usage charge
 8 applies to a call --
 9 A Uh-huh
 10 Q -- there is a per-minute usage rate
 11 that is assessed. Correct?
 12 A Correct.
 13 Q And it is designed to recover cost of
 14 the common line where -- the loop between end
 15 office and end user. Right?
 16 A Correct.
 17 Q There's also, isn't this true, a
 18 usage-sensitive charge designed to recover the
 19 cost of switching at the end office?
 20 A Correct.
 21 Q Okay. And then where applicable, there
 22 is a charge designed to recover the cost of
 23 transport to a tandem?
 24 A Correct.
 25 Q And from the tandem to the customer's
 0429

1 premises?
 2 A Correct.
 3 Q And in this instance -- on the far
 4 right-hand side -- the customer in this picture
 5 -- really an IXC, isn't it?
 6 A In this picture?
 7 Q Yes.
 8 A Yes, sir.
 9 Q Is there a usage-sensitive
 10 tandem switching element, as well?
 11 A There is a usage-sensitive tandem
 12 Okay. And when it applies, it is
 13 designed to recover the cost of a second
 14 switching event in between the end office and
 15 the customer designated premises?
 16 A Correct.
 17 Q The transport piece of local transport
 18 is typically on a per-minute, per-mile basis
 19 right?
 20 A Correct. Typically -- not always
 21 typically.
 22 Q Let me ask you this, if I cou-d. In
 23 the situation, and under the memorandum of
 24 understanding that Mr. Barker gave Mr. Gaetjen
 25 last year, do you know whether local transport
 0430

1 would have been included?
 2 A Subject to verification. And, again, I
 3 will give you the exact components and what
 4 would be included. You would be billed only for

13 JUDGE WALSTON: Sure

14 MR MCCOLLOUGH: If I recall

15 correctly, the testimony was that while there

16 are separate channels or trunks, that they

17 probably go through the same big fat cable

18 and that's really what I understand the

19 testimony to be, that it's in the same physical

20 group of facilities, while, perhaps, they're in

21 different trunks

22 As to being switched at the Greenwood

23 tandem, the purpose of this exhibit -- and I'll

24 just say it for the record -- we do not intend

25 to imply by this that for the EICS trunks that

0433

1 they're switched at the tandem. And, in fact,

2 if I recall correctly, I asked the witness to

3 assume that they are physically routed through

4 the tandem, although not switched by it

5 JUDGE WALSTON: Okay. I'll admit

6 it, you know, for demonstrative purposes, and

7 your comment will be noted for the record that

8 it may or may not accurately reflect the

9 testimony, but we can go back and check the

10 transcript as far as the testimony goes

11 MS BROWN: All right. Thank you

12 JUDGE WALSTON: That was No 25.

13 (ASAP Exhibit No 25 admitted)

14 MR MCCOLLOUGH: Then I believe I

15 also have No. 26, which is accompanied by

16 cross-examination of the services that are

17 provided when two carriers collaborate to effect

18 a call between an end user and an ISP

19 JUDGE WALSTON: Okay. So then

20 that would also just be a demonstrative exhibit?

21 MR MCCOLLOUGH: Yes, sir.

22 JUDGE WALSTON: With that

23 understanding, Ms Brown, do you have an

24 objection to Exhibit 26?

25 MS BROWN: I'll have to ask the

0434

1 witness if she believes that accurately

2 represents --

3 WITNESS SMITH: It doesn't

4 accurately represent anything. All it was for

5 demonstration purposes only. He drew that

6 assuming this does this, does this. So --

7 JUDGE WALSTON: It was based on a

8 hypothetical question. At the time of the

9 questioning, it wasn't represented to be

10 necessarily ASAP's situation in this case. So

11 with that limitation, it will be admitted as a

12 demonstrative exhibit

13 (ASAP Exhibit No 26 admitted)

14 MR MCCOLLOUGH: We have reduced

15 this to a letter size. If counsel, at her

16 earliest opportunity, to take a look at it, we

17 can move it into the record

18 JUDGE WALSTON: Okay.

19 Mr. Stewart, do you have some questions?

20 MR STEWART: Yes, sir, I do

5 those services actually provided by CenturyTel

6 so it we are providing local transport, you

7 would be billed local transport

8 Q Would the local transport, assuming

9 it's provided and assuming it's billed, would it

10 be for only the piece provided by CenturyTel up

11 to the hut in San Marcos, or would it be for

12 some larger distance? Do you know?

13 A I have to verify

14 Q I'd ask you to include that, just to

15 tell me what the mileage is

16 A Sure

17 Q Okay

18 MR MCCOLLOUGH: If I can have

19 just a second, I'd like to cut a couple more

20 questions and I think I'm almost done

21 (Brief pause)

22 MR MCCOLLOUGH: I pass the

23 witness

24 JUDGE WALSTON: Okay. Why don't

25 we go ahead and take our noon break. We'll just

0431

1 meet back at 1:00. We'll go on the record at

2 this time

3 (Lunch recess, 11:55 a.m. to 1:05 p.m.)

4 AFTERNOON SESSION

5 FRIDAY, OCTOBER 11, 2002

6 (1:08 p.m.)

7 (ASAP Exhibit Nos 25 and 26

8 marked)

9 JUDGE WALSTON: We'll go back on

10 the record at this time. Mr. McCollough, I

11 think you wanted to offer a couple of exhibits

12 MR MCCOLLOUGH: Yes, I did, Your

13 Honor. I'd like to offer ASAP Exhibit 25, which

14 is the -- my terrible drawings of the various

15 rate centers of Lenters, Kyle, San Marcos,

16 Austin and Lockhart, to memorialize the

17 cross-examination that accompanied it

18 JUDGE WALSTON: Okay. Any

19 objection?

20 MS BROWN: Yes, Your Honor. We

21 object on the grounds that the exhibit does not

22 reflect the testimony and the responses that

23 were given by the witness to Mr. McCollough's

24 questions, in two respects. And that is that

25 the witness said there's not a common trunk

0432

1 route for all the calls going for the circuit

2 going to Lockhart. There's a separate trunk

3 group here between the San Marcos tandem --

4 end-office switch and the meet point, and that

5 there's also -- that the circuit from the meet

6 point to Lockhart does not get switched at the

7 tandem. It's a separate circuit that's a direct

8 end-office-to-end-office circuit

9 JUDGE WALSTON: Okay. Do you have

10 any comments?

11 MR MCCOLLOUGH: If I could

12 address this real quickly

CROSS-EXAMINATION

21 BY MR. STEWART: 22

23 Q Good afternoon, Ms. Smith. I'm Roger 24 Stewart for Commission Staff 25 A Good afternoon 0435

1 Q You -- 2 MS. SMITH The witness does not 3 have her testimony. Just one minute. Do you 4 have the -- JUDGE WALSTON Exhibit No. 4

5 WITNESS SMITH Yeah. I -- 6 MS. BROWN I guess it must have 7 gone back with the court reporter last night 8 WITNESS SMITH I'm ready. Okay 9

10 Q (By Mr. Stewart) The first few 11 questions won't really go to your written 12 prefiled testimony. You answered a question 13 from Mr. McCollough by saying that area-wide 14 calling agreements do not need to be filed with 15 the Texas Commission. Am I recalling that 16 correctly? 17 A Yes, sir.

18 Q And/or Ms. Brown indicated that 19 CenturyTel had not done so? 20 A Correct.

21 Q I wanted to ask what -- is there a 22 reason that CenturyTel has for not filing those? 23 What is the rationale for not filing those? 24 A Because -- interconnection agreements 25 have to be filed with the Commission. This is

0436 1 not an interconnection agreement. This is an 2 arrangement where they pay access in lieu of 3 toll, or a bought-down toll arrangement. So it 4 is not an interconnection or a traffic exchange 5 agreement. 6 Q Okay. A similar question about 7 translating agreements. I understood you to 8 respond to one of Mr. McCollough's questions by 9 saying CenturyTel does have some written 10 translating agreements? 11 A Traffic exchange agreements. Or are 12 you talking about the ELCs agreements where 13 there -- where we are the translating -- we are 14 the party in the middle, or Southwestern Bell 15 may be the party in the middle? Is that -- 16 Q That may be it. My -- 17 A There are lease agreements -- 18 -- notes may not be clear. 19 Q There are lease agreements for those 20 that have been in existence since ELCs went into 21 effect. And I do not believe they are filed 22 with the Commission, either.

23 Q Could you explain what would the nature 24 of the lease agreements be? 25 A It's for the lease of the facilities 0437 1 Q Where CenturyTel would be -- it would 2 be an agreement whereby CenturyTel leases some

3 of its facilities to another carrier?

4 A Right. Where we pay the carrier in the 5 middle. So, for example, if to get to Fentress, 6 for example, Century is in the middle. So if 7 Lockhart and Fentress have ELCs between the two 8 of them, it has to go through Century. So they 9 have to pay for the CenturyTel facilities in the 10 middle, and that agreement memorializes that 11 Q So just -- I'm sorry. Just so -- 12 understand, so this one example such as 13 agreement would be whereby Southwestern Bell -- 14 A And Verizon would pay for the piece in 15 the middle, or Century would pay another 16 provider if there is -- if they own a piece in 17 the middle.

18 Q Okay. 19 A So, for example, if I was going to 20 Kyle, I would have to go through a Bell 21 facility, and Bell would be paid for the that 22 use of the facilities between us and Verizon 23 Q Okay. So there would be multiple 24 agreements, and in some of them, CenturyTel 25 would be the payer, and in some, it would be the 0438

1 payer? 2 A Correct. 3 Q Okay. Is there a basis for the -- or 4 can you tell me, do you know what the basis is 5 for determining the amounts paid under those 6 agreements? 7 A These agreements were executed prior to 8 my duties in Texas. In my review, it appears to 9 be the appropriate special access components for 10 the use of the facility. 11 Q So you've reviewed some of these 12 agreements, but you were not around when they 13 were determined and -- 14 A Right. And I have not, in detail, 15 looked at them, just on a review, that appears 16 to be --

17 Q And can I ask, do you say that because 18 a particular word is used or because the 19 numerical amounts suggest or structure of the -- 20 A The structure and the wording. But, I 21 mean, I could be wrong. This would be subject 22 to review. That's just what it appears to be. 23 Q Is your recollection that those amounts 24 are flat fees -- 25 A Yes.

0439 1 Q -- rather than you usage based? 2 A Yes, they are. 3 Q Okay. And so these are not bill and 4 keep agreements, then? 5 A No, they're not. 6 Q Okay. Do I recall correctly that you 7 said there's no written agreement between 8 CenturyTel of San Marcos and SBBT in regard to 9 the San Marcos Lockhart ELCs arrangement -- no 10 written agreement?

19 produced were the Commission orders that
20 affirmed the ELCS service, and we produced the
21 lease agreements that reflect the circuits at
22 issue, the lease agreements that are being
23 talked about
24 JUDGE WALSTON Go on with your
25 question. Does that help you?
0442
1 MR STEWART: It does. It does.
2 JUDGE WALSTON Okay
3 (By Mr Stewart) so I want to ask, did
4 they double your salary or more when you took
5 over carrier issues?
6 (Laughter)
7 A Would you call someone on that for me?
8 MR GABTLEN Hazardous duty pay,
9 maybe?
10 Q (By Mr Stewart) Is it your opinion
11 that if you had been involved with the ELCS
12 arrangements in the '94/'95 time frame, and
13 there had been a written agreement between
14 Southwestern Bell and CenturyTel, that such an
15 agreement would have been filed with the
16 Commission? Do you have an opinion as to
17 whether such an agreement would be filed or not?
18 A In that time frame, I don't believe
19 they would have, because it wasn't until after
20 the '96 Act that interconnection agreements were
21 even filed. So I don't believe
22 carrier-to-carrier agreements -- at that time,
23 it would have even been appropriate to file them
24 with the Commission
25 Q Okay Do you have an opinion now as to
0443
1 whether -- since the passage of the federal
2 Telecom Act whether an agreement, if written,
3 would be an interconnection agreement under the
4 federal Telecom Act? Do you have an opinion?
5 A No, I don't.
6 Q No Do you have an opinion -- and I'll
7 ask you, if I recall correctly, that earlier you
8 responded to a question from Mr McCollough by
9 saying that it's not clear -- perhaps there
10 should be a written agreement between
11 Southwestern Bell and CenturyTel in regard to
12 the ELCS arrangement?
13 A I think that -- no I mean, I do not
14 have a legal opinion on whether those should or
15 should not be filed, because they are
16 ILEC-to-ILEC agreements that have been in place
17 for a long time And most state jurisdictions
18 have not required that any of those things be
19 filed
20 Q Do you -- in light of the developments
21 in this case and otherwise, do you have any
22 present intention to seek a written
23 interconnection -- a written agreement between
24 Southwestern Bell and CenturyTel regarding the
25 ELCS arrangement between San Marcos and
0444

11 A I am not aware of one Okay There might
12 Q Not aware of one Okay There might
13 be one?
14 A I mean, I am not sure, but I am not
15 aware of one
16 Q Were you --
17 A I was not around at the time that they
18 would have been executed
19 Q When did you begin your -- the
20 responsibilities whereby you would have known?
21 A Well, I began doing regulatory issues
22 in Texas approximately a year-and-a-half ago
23 But I did not do carrier issues until last week
24 Q Can I --
25 A For the IEC I mean --
0440
1 Q May I ask when you wrote your prefiled
2 testimony --
3 A I did regulatory And now you are?
4 Q You did regulatory And now you are?
5 A Now I'm also doing carrier, which would
6 be, like, the negotiations for the
7 interconnection arrangements
8 Q So in addition?
9 A In addition. In addition
10 Q Okay I'm going to guess, would the
11 person that would know be the David Cole person
12 you mentioned earlier? Is that the person who
13 would, perhaps, know the answer?
14 A Who would have known if agreements were
15 in place?
16 Q Thank you for filling that in
17 A All right Let me think I would
18 have -- I believe that those agreements were
19 probably put in when Clay Bailey -- I think
20 that's right, Brock? I mean, I'm trying --
21 Q I'm sorry It's not an essential
22 question
23 MS BROWN Your Honor, I'll make
24 a statement and see if this helps clarify
25 JUDGE WALSTON. Sure
0441
1 MS BROWN ELCS service went in
2 in the '94 to '95 time frame And I believe
3 that the person that had Susan's job then was a
4 gentleman named Clay Bailey, who has since moved
5 on to another position Ms Smith -- as you
6 recall, Gary Barker gave testimony at the
7 interim hearing Gary Barker moved from --
8 WITNESS SMITH He retired
9 MS BROWN He retired and moved
10 away And Susan has recently taken over some of
11 the functions -- of all -- that Gary had with
12 respect to negotiating intercarrier agreements
13 MR McCollough And if it will
14 help on this too, but -- my duties began of
15 Mr Navarette included a request for any
16 agreements and CenturyTel did not produce any at
17 the deposition
18 MS BROWN Your Honor, what we

1 Lockhart?
2 A I don't know
3 Q You don't know?
4 A No
5 Q Okay How about if I asked those
6 questions with regard to Verizon as to the Kyle
7 and Fentress exchanges?
8 A Same.
9 Q Would your answers be the same?
10 A Yes, sir
11 Q Okay. How about if I asked you those
12 same questions in regard to ATS and the Kyle
13 exchange -- well, first of all, before I say
14 that, I should ask Do I recall correctly that
15 you're not aware of any written agreement
16 between ATS as to its Kyle facilities and
17 CenturyTel as to San Marcos and an ELCS
18 arrangement?
19 A ATS chose to order those facilities as
20 an access carrier, which -- anyone could do
21 that. So, I mean, they should seek an
22 interconnection arrangement, and one would be
23 negotiated and provided But as it appears
24 today, they ordered facilities out of an access
25 tariff, and those are published tariffs
0445
1 Q So ATS ordered from the tariff, but
2 there's no written agreement between --
3 A Wouldn't require a written agreement --
4 the tariff wouldn't
5 Q Okay. Do you have any present
6 intention to seek a written agreement between
7 ATS and CenturyTel?
8 A Not under the present arrangement
9 Q Okay Because -- based on my
10 understanding that you've been involved with
11 Texas regulatory matters only for about a
12 year-and-a-half, I'm going to guess that you
13 were not involved in the ELCS surcharge case
14 A I was not
15 Q Okay Are you familiar with ELCS
16 surcharge cases under Texas Commission rules?
17 A I am familiar, yes
18 Q Familiar Do you have an opinion as to
19 whether CenturyTel was entitled to request
20 recovery of transport costs -- let me put it
21 more in a present tense Do you have an opinion
22 as to whether CenturyTel is entitled to request
23 recovery of excess costs -- may I use that
24 short-hand "excess cost"? Thank you --
25 including transport cost in a case where it
0446
1 requests a surcharge?
2 A I would say that the way it appears to
3 be worded is that, yes, you would be able to
4 recover that. The call studies -- and I've only
5 briefly looked at them -- they appear to be for
6 lost toll, which lost toll, you would assume,
7 includes recovery of a transport element And I
8 would assume that when the Commission reviewed

9 those, that if there was any additional
10 transport expenses that were required in
11 addition to those associated with lost toll,
12 that those could be considered
13 Q Okay Thank you Do you know if
14 CenturyTel has ever attempted to quantify its
15 transport costs associated with the ELCS
16 arrangements discussed in this case?
17 A I do not know Discussed in this case?
18 Q Right I'm sorry I'm using shorthand
19 that I shouldn't use, but --
20 A In the ASAP proceeding, no, we have
21 not, because we haven't -- I mean, we haven't
22 discussed or negotiated, at this point, anything
23 with ASAP
24 Q I'm sorry I'm glad you said that It
25 makes me realize I asked the question badly
0447
1 Has CenturyTel ever attempted to quantify the
2 costs that it incurs for transport --
3 A For ELCS?
4 Q -- for ELCS between San Marcos and
5 Lockhart, and San Marcos and Kyle, San Marcos
6 and Fentress?
7 A As of today?
8 Q As of today May I say actual incurred
9 historical cost? Has it ever attempted to
10 quantify actual historically incurred transport
11 costs?
12 A I don't know That's a good question
13 I don't know the answer to that
14 Q Do you know --
15 A I know at the point in time that ELCS
16 was put in that there were costs looked at for
17 transport and then there was cost for lost toll
18 Since that date, I don't know I'd have to go
19 back and check to see if anyone has looked at
20 the historic cost
21 Q Is there -- do you know if any of the
22 other witnesses would be better placed to know
23 that than you? I guess I can ask
24 A Yeah, you can ask Mr Robinson might
25 know about other companies He would not know
0448
1 about Century And I know Mr Navarrette, I
2 don't think he would know I can check
3 Q Okay And then I think maybe my only
4 question related to your prefiled testimony --
5 if you could look at -- actually, I don't even
6 have to refer you to a particular page I can
7 be more general and say I understand you testify
8 that where ISP-bound traffic is involved,
9 CenturyTel does not have an obligation to
10 interconnect Am I saying that correctly?
11 A And that's footnoted And that's per
12 an MCI case where even the FCC said that your --
13 I mean, it's the issue of part of our legal
14 brief is that the -- there is not necessarily --
15 there's no specified obligation to interconnect
16 with another carrier on behalf of transporting

17 ISP traffic
18 Q Okay.
19 A But that's part of all the briefing.
20 Q And then my question, would just be do
21 you know whether CenturyTel has asserted that
22 position with regard to interconnecting with any
23 other ILECs?
24 A Another ILEC such as?
25 Q Southwestern Bell
0449

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0451

1 saying it's an unresolved issue Right?
2 WITNESS SMITH: Uh-huh
3 JUDGE WALSTON As far as she's
4 concerned
5 MR STEWART Right And my
6 question is going down the path of theoretical
7 and speculative So I'll just stop Thank you.
8 That's all
9 JUDGE WALSTON: Redirect?
10 MS BROWN Yes, Your Honor.
11 REDIRECT EXAMINATION

12 BY MS. BROWN
13 Q Ms Smith, I'll follow up, first, with
14 a question asked by Mr Stewart When -- is
15 ELCS a service that CenturyTel voluntarily
16 provides?
17 A No
18 Q Does ELCS -- is it initiated by a group
19 of consumers, customers in an exchange that vote
20 to support a petition for ELCS?
21 A Yes, it is
22 Q And what is -- in the case of Lockhart,
23 Kyle, and Fentress, did the Lockhart community,
24 the Kyle community, and the Fentress community
25 petition for ELCS service to San Marcos?
0452

1 A Yes, they did.
2 Q Did San Marcos customers petition for
3 ELCS to Kyle, Lockhart or Fentress?
4 A No, they did not
5 Q Does CenturyTel have a duty under -- as
6 an incumbent local exchange company to provide
7 ELCS when another community as a sufficient
8 ballot to -- under the state rules for ELCS
9 service?
10 A Yes, we do.
11 Q And does the state law provide a right
12 for you -- for you as the petitioned carrier to
13 recover your costs associated with ELCS service?
14 A Yes, it does
15 Q Do you separately file -- or would a
16 company separately file a petition with the
17 Public Utility Commission for recovery of those
18 costs?
19 A Yes, we do
20 Q Would you have any -- need any sort of
21 agreement with the other carrier for recovery of
22 your costs?
23 A No.
24 Q Does the other carrier involved in the
25 ELCS service also have the obligation to go to
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1 the Commission to get recovery for its costs
2 associated with ELCS service?
3 A Yes, they do
4 Q Is that why there's no written
5 agreement between CenturyTel and Southwestern
6 Bell, or CenturyTel and Verizon with respect to

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1 A I don't know I don't guess -- I don't
2 know.
3 Q Okay And then -- answered -- I guess I
4 asked that question in the sense of has
5 CenturyTel actually asserted -- do you have an
6 opinion as to whether CenturyTel could assert
7 that position with regard to other ILECs, such
8 as Southwestern Bell?
9 MS BROWN Your Honor, I was
10 writing a note to myself when Mr Stewart asked
11 the first -- the question just before this last
12 one Would you -- could I ask him to repeat the
13 question, please? I'm sorry
14 MR STEWART I know I know
15 You're right I'm not asking it well I
16 apologize
17 JUDGE WALSTON I think she's just
18 curious as to what position it is you're talking
19 about. He asked the witness, "Would you assert
20 that position," and she's not clear what
21 position is
22 MR STEWART Thank you for asking
23 that clarification
24 MS BROWN Because I was writing
25 a note on that previous question
0450

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1 MR STEWART Thanks
2 Q (By Mr. Stewart) The position that
3 CenturyTel does not have a -- the position that
4 CenturyTel does not have an obligation to -- let
5 me try to rephrase the whole question Sorry
6 Do you have an opinion as to whether CenturyTel
7 can properly assert, with regard to Southwestern
8 Bell, that CenturyTel has no obligation to
9 interconnect with Southwestern Bell for
10 termination of ISP-bound traffic?
11 A Are you asking could we or have we?
12 Q Could CenturyTel Correct My prior
13 question was the "have" and now it's the
14 "would"
15 A I think the whole point of that is that
16 that is still before the FCC, and the FCC is
17 unclear They even appear to be unclear on what
18 all of this obligation is We have not asserted
19 that position, however, with anyone as a refusal
20 to terminate
21 Q Let me rephrase it Do you know if
22 CenturyTel -- or in your opinion -- I'll
23 withdraw the question
24 MR STEWART I'm finished

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1 JUDGE WALSTON I think she's just
2 concerned
3 MR STEWART Right And my
4 question is going down the path of theoretical
5 and speculative So I'll just stop Thank you.
6 That's all
7 JUDGE WALSTON: Redirect?
8 MS BROWN Yes, Your Honor.
9 REDIRECT EXAMINATION

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1 BY MS. BROWN
2 Q Ms Smith, I'll follow up, first, with
3 a question asked by Mr Stewart When -- is
4 ELCS a service that CenturyTel voluntarily
5 provides?
6 A No
7 Q Does ELCS -- is it initiated by a group
8 of consumers, customers in an exchange that vote
9 to support a petition for ELCS?
10 A Yes, it is
11 Q And what is -- in the case of Lockhart,
12 Kyle, and Fentress, did the Lockhart community,
13 the Kyle community, and the Fentress community
14 petition for ELCS service to San Marcos?
15 A Yes, they did.
16 Q Did San Marcos customers petition for
17 ELCS to Kyle, Lockhart or Fentress?
18 A No, they did not
19 Q Does CenturyTel have a duty under -- as
20 an incumbent local exchange company to provide
21 ELCS when another community as a sufficient
22 ballot to -- under the state rules for ELCS
23 service?
24 A Yes, we do.
25 Q And does the state law provide a right
for you -- for you as the petitioned carrier to
recover your costs associated with ELCS service?
A Yes, it does
Q Do you separately file -- or would a
company separately file a petition with the
Public Utility Commission for recovery of those
costs?
A Yes, we do
Q Would you have any -- need any sort of
agreement with the other carrier for recovery of
your costs?
A No.
Q Does the other carrier involved in the
ELCS service also have the obligation to go to
the Commission to get recovery for its costs
associated with ELCS service?
A Yes, they do
Q Is that why there's no written
agreement between CenturyTel and Southwestern
Bell, or CenturyTel and Verizon with respect to

7 ELCS service?
8 A Yes, ma'am.
9 Q Now, if your -- do you know whether the
10 Commission would consider allowing you to
11 recover, as an ELCS cost, the cost of transport
12 from San Marcos to Lockhart -- I mean from San
13 Marcos to Austin? Could you recover cost of
14 transporting, in this instance, ASAP's traffic
15 from San Marcos to Austin in connection with
16 ELCS service from San Marcos to Lockhart?
17 MR. McCOLLOUGH I'm going to
18 object to the question It's not supported by
19 the evidence. There's been no evidence that
20 CenturyTel incurs any cost to transport the
21 traffic from CenturyTel user to ASAP users to
22 the Greenwood tandem for delivery to ASAP's
23 switch in Austin.

24 JUDGE WALSTON I'm not sure I
25 quite understood your question Do you want to
0454

1 set that predicate or ask her hypothetically
2 that if there are costs, or however you want to
3 do it.

4 Q (By Ms Brown) Ms Smith, I'll ask you
5 to look at ASAP Exhibit 25. For the
6 facilities -- does CenturyTel of San Marcos have
7 to install facilities to carry traffic from your
8 end-office switch to the meet point with
9 Southwestern Bell in connection with ELCS
10 service?

11 A Yes, ma'am.

12 Q The more traffic there is on those
13 circuits, you have to have more circuits to
14 carry it?

15 A Yes

16 Q Are those circuits free?

17 A No

18 Q So if ASAP puts traffic over those
19 circuits, is there a cost associated with
20 carrying that traffic from your end-office
21 switch to your meet point with Southwestern
22 Bell?

23 MR. McCOLLOUGH I object to the
24 question again ASAP does not originate
25 traffic It terminates traffic The traffic at
0455

1 issue is CenturyTel-originated traffic ASAP
2 doesn't put traffic on this

3 MS. BROWN I don't agree with
4 Mr. McCollough's characterization, but I will
5 rephrase the question

6 Q (By Ms Brown) If there is additional
7 calling from end users in your exchange to an
8 Austin telephone number -- or to a point over a
9 facility in your request to direct that traffic
10 to Austin, you would have to carry that traffic
11 from your end-office switch to your meet point
12 with Southwestern Bell Would that be correct?

13 A If I was going to meet ASAP at that
14 meet point, or I guess we could establish

15 another meet point, but, yes, I would incur cost
16 up to that meet point

17 Q And the more traffic there is, the more
18 facilities that are required?

19 A Correct

20 Q Now, if the Commission -- if the
21 traffic that you would carry on behalf of
22 persons calling ASAP were to travel over toll
23 facilities to Austin, do you know whether the
24 Commission would permit you to recover those
25 costs in an ELCS proceeding with respect to your
0456

1 ELCS route to Lockhart?

2 A I don't see how

3 Q Now, you were asked some questions by
4 Mr. McCollough with respect to access rates and
5 whether those rates recovered costs associated
6 with loop facilities Are the access rates set
7 by the Public Utility Commission of Texas?

8 A Yes, ma'am

9 Q Are the costs that are the
10 components -- underlying components of those
11 rates as determined by the Public Utility
12 Commission?

13 A Yes, they are

14 Q So if it recovers loop cost, has the
15 Public Utility Commission made a determination
16 that those loop costs are properly included in
17 that rate?

18 A Yes, they have

19 Q And are access rates -- if you were --
20 are access rates what you would charge an
21 interexchange carrier -- for example, if MCI
22 offered long distance service to end users in
23 San Marcos, does CenturyTel charge access rates
24 for the function of carrying your end user --
25 the San Marcos end user's call from the end-user
0457

1 premise to where the interexchange carrier picks
2 up that call?

3 A Correct

4 Q And that is the function of access
5 charges?

6 A Correct

7 Q And would it be common for an
8 interexchange carrier such as AT&T, MCI or
9 Sprint to have a facility within the San Marcos
10 exchange where it would pick up traffic from its
11 customers in San Marcos that wanted to use it as
12 a long distance carrier?

13 A They all do

14 Q And you charge an access charge for the
15 function of taking the call from the end-user
16 premise through your switch to the carrier's
17 premise within your exchange in San Marcos?

18 A That is correct

19 Q Okay Now, if the carrier, AT&T, MCI
20 or Sprint, decided that they didn't want to put
21 a facility in San Marcos, but they wanted to put
22 their facility at the tandem in Austin, is there

23 an additional access component that CenturyTel would charge to carry the call from the end user through your switch, through the tandem and up? 24

25 through your switch, through the tandem and up? 25

0458

1 MR McCOLLOUGH collector This 1

2 is leading JUDGE WALSTON No I think she's 3

4 just setting a hypothetical question I'll 5

6 allow it (By Ms Brown) If the interexchange 7

8 carrier decided to be located in Austin instead 8

9 of San Marcos, is there an additional access 9

10 components that's charged? 10

11 A The IXC would be billed all the 11

12 appropriate transport so CenturyTel would bill a 12

13 transport up until the point in time that they 13

14 hand it off to another company There could be 14

15 multiple companies involved in that path Each 15

16 would bill their own share of the transport in 16

17 order to reach the IXC's point of presence 17

18 Q But there is -- is there a rate element 18

19 associated with the transport from your exchange 19

20 up to the Austin exchange? 20

21 A Yes There's transport, yes 21

22 Q Okay 22

23 A For my share of the transport 23

24 Q Is there also a tariffed service where 24

25 if AT&T, MCI or Sprint decided, "well, we've got 25

0459

1 enough traffic -- not enough to build in San 1

2 Marcos, but enough to have our own dedicated 2

3 traffic," is there a tariff service associated 3

4 with that function that CenturyTel offers? 4

5 A Which function? 5

6 Q To carry the traffic from San Marcos to 6

7 Austin? 7

8 A Oh, yes 8

9 Q And what is that called? 9

10 A There are -- 10

11 Q Are there several options? 11

12 A You could do it on a usage-sensitive 12

13 basis as you said, or you can buy the fixed 13

14 transport. 14

15 Q Okay Can CLICs purchase those same 15

16 elements out of your tariff? 16

17 A Sure 17

18 Q Do they? 18

19 A Some do, yes 19

20 Q Okay Can you negotiate those elements 20

21 in an interconnection agreement with either a 21

22 CLIC or a CMRS carrier? 22

23 A For the purpose of remaining local 23

24 traffic? 24

25 Q Okay And so it we went through these 25

0460

1 same examples, if a CLIC had its main switch in 1

2 Austin, but wanted to appear as a local carrier 2

3 in San Marcos, can you accommodate that request 3

4 on the part of the CLIC? 4

5 A Yes 5

6 Q And what would -- what would be the 6

7 options that CLIC would have to appear as a 7

8 local carrier in San Marcos but have its traffic 8

9 brought to it or collected in Austin at its 9

10 switch? 10

11 A Same thing He could buy use of the 11

12 facilities on a usage-sensitive basis, or on a 12

13 fixed-transport basis 13

14 Q Okay. Now, with respect to ASAP and 14

15 ASAP's ISP-bound traffic, what is it that 15

16 CenturyTel would be -- has CenturyTel refused to 16

17 interconnect for that purpose? 17

18 A No 18

19 Q Okay. And is CenturyTel open to 19

20 negotiating an agreement whereby ASAP could keep 20

21 its switch in Austin, but have ISP-bound traffic 21

22 transported to it? 22

23 A Yes 23

24 Q Okay Now, are the rules for CMRS 24

25 carriers different than the rules for wireline 25

0461

1 carriers with respect to what we have been 1

2 talking about -- how a local exchange carrier 2

3 gathers traffic originated by its customers and 3

4 carries it to a CMRS carrier for the CMRS 4

5 carrier to complete over its network? Are those 5

6 rules a little different? 6

7 A The rules are different for local 7

8 transport -- for local reciprocal compensation. 8

9 other than that, there's really no difference. 9

10 Q Okay 10

11 A Other than the regulatory requirements 11

12 Q Okay Now, you were asked by 12

13 Mr McCollough a question that -- you were 13

14 asked, "Does CenturyTel pay a usage charge when 14

15 traffic is exchanged between Southwestern Bell 15

16 Lockhart and CenturyTel in San Marcos over ELCS 16

17 facilities?" Do you recall that question? 17

18 A Yes, ma'am 18

19 Q Why is there not a usage charge between 19

20 the two companies? 20

21 A We recover it from our own end user 21

22 JUDGE WALSTON: Can you speak up, 22

23 Ms Smith? 23

24 A We recover it through our own end user 24

25 through the -- 25

0462

1 Q Do you know whether that's based on a 1

2 statutory requirement? 2

3 A Yes, it is 3

4 Q Are there flat-rate options that 4

5 CenturyTel would make available to ASAP for 5

6 transport of its wireless services from San 6

7 Marcos to its point of interconnection? 7

8 A Yes 8

9 Q Now, you were asked if CenturyTel of 9

10 San Marcos delivers a call to an ASAP number in 10

11 Austin, why you would charge ASAP a usage-based 11

12 rate. Let me strike -- 12

21 reporter to decide how they want to do it
 22 Either way is fine Okay (By Ms Brown) Could you turn to the
 23 Q (By Ms Brown) Could you turn to the
 24 Bates marked Page 000141?
 25 A Yes
 0465
 1 Q Is that the complete data that a
 2 carrier would submit to NANPA for assignment of
 3 an NXX code?
 4 A Not today, it's not
 5 Q Do you know whether it was in '99?
 6 A In '99, if you were applying for a new
 7 rate center. In addition, there is another part
 8 that is filled out. But I don't know whether
 9 GNVM, as that AOCN, maintains a copy of that or
 10 would forward it on to NANPA. But there is a
 11 Part 4, I believe, that's also attached with
 12 this and had been at that time period. The
 13 rules have changed since 1999 and there is
 14 additional documentation
 15 Q Okay. Now, if you turn to the next
 16 page, this is -- the next Page 000144 associated
 17 with the Kyle NPA-NXX?
 18 A Yes
 19 Q And what date was it submitted -- does
 20 it show that it was submitted?
 21 A June of 2001
 22 Q Do you know whether -- for in June of
 23 2001, would there have been additional
 24 information that would have been submitted by an
 25 applicant for a code at that time?
 0466
 1 A Yes. I believe at this point in time,
 2 the rules were in effect where you had to show
 3 proof of interconnection
 4 Q Okay. Is that attached in this
 5 exhibit?
 6 A No, it's not
 7 Q Okay. Would your response be the same
 8 if I were to ask you that question as to 000145?
 9 A Yes, it would.
 10 Q Are applications for NPA-NXXs public
 11 documents?
 12 A No, they're not
 13 Q Are they maintained on a confidential
 14 basis by NANPA?
 15 A I don't know the answer to that
 16 Q Okay. Can you -- I believe you said in
 17 your cross-examination that you can't intervene
 18 in one of these proceedings?
 19 A That's correct
 20 Q Do you even know they're occurring?
 21 A No, I don't, not until it's -- of
 22 course, there's a notification that goes out
 23 there in the LERG as a new code is issued
 24 All right. And that's for competitive
 25 reasons?
 0467
 1 A Right
 2 Q If you are a competitor filing for a

13 A I think he was talking about wide-area
 14 calling. I'm trying to think of the appropriate
 15 question here. Let me ask it this way. If
 16 there -- if we were back at April the 2nd, what
 17 CenturyTel began to do on April the 2nd was to
 18 change your end user that originated a call to
 19 an ASAP number an intralata toll charge when
 20 that number was called. Is that correct?
 21 A That is correct -- though CenturyTel,
 22 in some instances, was the interexchange carrier
 23 and we were charging
 24 Q Okay
 25 0463
 1 A I mean, those calls were being passed
 2 off to that customer's appropriate intralata
 3 IXC. So whoever that was would be who would
 4 have charged the toll.
 5 Q The toll. And you would have charged
 6 toll if you were the IXC. CenturyTel would have
 7 charged toll if CenturyTel was the IXC.
 8 CenturyTel would have charged access if the
 9 customer had a different interexchange carrier?
 10 A Correct
 11 Q Now, under a reverse-toll billing
 12 arrangement -- ASAP was offered a reverse-toll
 13 billing arrangement. Is that correct?
 14 A Correct
 15 Q And under that arrangement, instead of
 16 the toll or access being charged to the end user
 17 or the IXC, ASAP would have paid that
 18 compensatory rate?
 19 A That is correct
 20 MR McCollough. Objection. That
 21 assumes it's compensatory. That has not been
 22 established.
 23 Q (By Ms Brown) Would have paid the
 24 compensatory rate. I beg your pardon
 25 A Correct
 0464
 1 Q Now, if you would look at ASAP Exhibit
 2 16
 3 MS BROWN. And I believe we can
 4 throw away the confidential envelope on that
 5 one. Is that right?
 6 MR McCollough. That's correct
 7 MS BROWN Okay
 8 MS McCollough. I'm sorry. I
 9 have to say something. Instead of throwing away
 10 the confidential envelope -- I talked to the
 11 court reporter -- we thought we'd keep it with
 12 the confidential envelope and then write "not
 13 confidential" on that envelope so that -- that's
 14 what we agreed to, but whatever you want to do
 15 is fine
 16 MR McCollough. However the
 17 record should be clear. We have waived
 18 confidentiality
 19 JUDGE WALSTON Right. On the
 20 record copies, I'll leave it up to the court

3 new rate center, you don't want all of your
4 other competitors knowing you're going to do
5 that six months or more before you actually take
6 that action?
7 A Right It doesn't even appear out
8 there until the AOCN puts it into the LERG
9 Q So would CenturyTel have any
10 opportunity to challenge --
11 A No.
12 Q -- an NPA-NXX application?
13 A No, we would not
14 MS BROWN I pass the witness,
15 Your Honor
16 JUDGE WALSTON Okay Further
17 cross, Mr McCollough?
18 MR McCOLLOUGH Do you have any
19 clarifying, Your Honor?
20 JUDGE WALSTON No, I don't
21 RECROSS-EXAMINATION
22 BY MR McCOLLOUGH
23 Q Do you have 27 there?
24 A No
25 Q Okay.
0468
1 (ASAP Exhibit No 27 marked)
2 Q (By Mr. McCollough) Okay Do you now
3 have what's been marked as ASAP Exhibit No 27?
4 A The tariff, yeah It's public
5 information.
6 Q Well, if you could take a look at it.
7 Look, for example, four pages back Does that
8 appear to be an order in the Public Utility
9 Commission case relating to ELC to Kyle and
10 Fentress in San Marcos exchange?
11 A Yes, it does.
12 Q Let me try to shortcut this Let me
13 represent to you that this was produced by
14 CenturyTel as part of a duces tecum for the
15 Navarrette deposition where we requested all
16 information related to cost studies performed in
17 relation to ELCS
18 A Okay
19 Q At this point, I'm really only going to
20 look at a couple of things
21 MR McCOLLOUGH Can I just go
22 ahead and offer it and see if Ms Brown objects?
23 MS BROWN Your Honor, I don't
24 have an objection, but I'd like to read the
25 subpoena duces tecum
0469
1 MR McCOLLOUGH Yes
2 MS BROWN This was produced in
3 response to, so we have that stated accurately
4 JUDGE WALSTON That's fine
5 Sure.
6 MS. BROWN What CenturyTel was
7 requested to produce was a true and correct copy
8 of the cost study and all other documents and
9 information that were used to request and
10 justify the ELCS surcharge paid by San Marcos

11 customers of CenturyTel of San Marcos, Inc.
12 JUDGE WALSTON Okay As I
13 understand, you don't have an objection to the
14 exhibit itself?
15 MS BROWN No, Your Honor.
16 JUDGE WALSTON Okay. Then ASAP
17 Exhibit No 27 will be admitted
18 (ASAP Exhibit No. 27 admitted)
19 MR. McCOLLOUGH Let's see if we
20 can't cut through this a little bit
21 Q (By Mr McCollough) You mentioned that
22 sometimes CenturyTel may have to obtain
23 transport through an intermediate carrier in
24 order to get to another exchange that is ELCS
25 In other words, you may be the carrier on one
0470
1 end or the other, or you may be the carrier in
2 the middle?
3 A Right
4 Q And when there are three carriers
5 involved, you may have to obtain transport from
6 a carrier in the middle?
7 A Correct
8 Q In the case of Sprint, do you know
9 whether CenturyTel had to obtain transport from
10 any other intermediate carrier in order to
11 effectuate ELCS to Kyle or Fentress?
12 A We would not
13 Q I'm sorry?
14 A We would not
15 Q Okay How about Lytton Springs?
16 A I don't know about Lytton Springs I
17 haven't looked into it
18 Q I had a hard time finding this last
19 time, too Well, let's just look --
20 MR McCOLLOUGH And may I
21 approach the witness, Your Honor, just to get
22 her to the right page? I'm going to be doing
23 the Lockhart page
24 MS BROWN Schedule C, Page 1
25 MR McCOLLOUGH Yeah
0471
1 Q (By Mr McCollough) If I can just come
2 up to you here and show you where I'm trying to
3 get you to go It's near the back Schedule C,
4 Page 1?
5 A Is it near --
6 Q It is in the Lockhart studies
7 A Okay
8 Q Okay
9 MR McCOLLOUGH Your Honor, if
10 you want it --
11 JUDGE WALSTON Schedule C?
12 MR McCOLLOUGH Yes, sir, for
13 Lockhart
14 JUDGE WALSTON Okay
15 Q (By Mr McCollough) Take a look at --
16 MS BROWN Scott, could you give
17 me a minute to find it?
18 MR McCOLLOUGH Oh, sure

19 Schedule C, Page 1
 20 MS BROWN for Martindale?
 21 MR MCCOLLOUGH. No. This is --
 22 MS BROWN That says Martindale
 23 MR MCCOLLUGH Martindale
 24 MS BROWN I found that one
 25 MR MCCOLLOUGH I was looking for
 0472
 1 Lockhart I had it just a second ago
 2 Everybody now has it except for me and Brook
 3 Lockhart. Okay. There we go. Schedule C, Page
 4 1, Lockhart San Marcos. Are we all together?
 5 MS BROWN I'm not
 6 MR MCCOLLUGH Here we go. We
 7 all have Schedule C, Page 1
 8 (By Mr. McCollough) Do you have the
 9 Schedule C, Page 1?
 10 A I do. Would y'all like to huddle?
 11 Q I have one question to ask
 12 A Okay
 13 Q Do you show any transport cost for
 14 purposes of the cost of implementing ELCs? Does
 15 that show any transport cost?
 16 A Can I answer this question?
 17 Q Please answer "yes" or "no" first. And
 18 then if you have an explanation, you can give
 19 it
 20 A All right. In this blank, there is a
 21 zero.
 22 Q Okay
 23 A All right. And there's a reason
 24 Q Please illuminate
 25 A I mean, I will assume that this went
 0473
 1 through several iterations before the Commission
 2 approved it. However, built into a toll revenue
 3 loss number is some transport
 4 Q Okay. And it's transport associated?
 5 MR GARTEN It's virtual
 6 transport
 7 A It's not virtual
 8 Q (By Mr. McCollough) In terms of toll
 9 calls between San Marcos and Lockhart, the toll
 10 would have gone from CenturyTel San Marcos's end
 11 office to the Greenwood tandem for switching to
 12 Lockhart, wouldn't it, interLATA toll before
 13 ELCs?
 14 A Before ELCs?
 15 Q Yes, ma'am.
 16 A Yes
 17 Q And that's the transport cost that was
 18 put in ELCs revenue loss calculation, isn't it?
 19 A At that time
 20 Q Thank you. Okay. Further back, there
 21 as the San Marcos-to-Kyle revenue requirement?
 22 A You're going to make me find something?
 23 Q Yes, ma'am, and I'm sorry. I can
 24 actually -- it's very close to the tail end
 0474

1 Nine pages from the very back
 2 MS BROWN Mine, nine pages from
 3 the back is "Lease Agreement"
 4 MR MCCOLLUGH That's what I'm
 5 looking for, the lease agreement
 6 A Okay. Yes
 7 Q (By Mr. McCollough) Does this appear
 8 to be a lease agreement between Southwestern
 9 Bell and CenturyTel of San Marcos?
 10 A Yes
 11 Q Okay. And does it look like CenturyTel
 12 had to obtain transport from Southwestern Bell
 13 in order to get from San Marcos to Kyle?
 14 A I don't think -- okay. This is my
 15 understanding. Between Southwestern Bell's Kyle
 16 exchange --
 17 Q Kyle is the GTE exchange, isn't it?
 18 Take a look at Exhibit 1 to the lease agreement
 19 A Yes
 20 Q Okay
 21 A Yes
 22 Q So doesn't it look like SWBT is in
 23 between Kyle --
 24 A Kyle and San Marcos
 25 Q -- and San Marcos?
 0475
 1 A Yes, and it is
 2 Q Okay. And so CenturyTel had to obtain
 3 transport from Southwestern Bell --
 4 A Correct
 5 Q -- in order to establish the ELCs
 6 trunks between San Marcos and Kyle?
 7 A Correct
 8 Q Okay. Now, it does not reflect on this
 9 lease agreement between Southwestern Bell and
 10 CenturyTel that CenturyTel paid special access,
 11 does it? This is a lease agreement. It doesn't
 12 even mention tariffs, does it?
 13 A This particular exhibit does not tell
 14 you where this component came from. But if you
 15 reference this back, I think you can find at
 16 that point it was tariffed
 17 Q Are you saying y'all -- you got the
 18 tariff price and put it in the lease?
 19 A I believe so.
 20 Q Okay. But you are -- you have nothing
 21 that really supports that, do you?
 22 A With me --
 23 Q The tariff is not mentioned?
 24 A No, no.
 25 Q Okay. Well, let's discuss this a
 0476
 1 minute. I think, therefore, there is some
 2 transport cost responsibility that CenturyTel
 3 incurs when a call is originated by a San
 4 Marcos user and terminated to a GTE Kyle user.
 5 Right?
 6 A Uh-huh
 7 Q You had to spend money to lease from
 8 Southwestern Bell a portion of the facility in

9 the middle?
10 A Uh-huh.
11 JUDGE WALSTON You need to say
12 "yes."
13 A Yes, sir
14 Q (By Mr McCollough) Now, let's assume
15 that instead of a GTE Kyle user with a land line
16 phone, that user says, "I just want ASAP Paging
17 instead."
18 A Okay.
19 Q Can you assume that for a second? And
20 that customer contracts with ASAP Paging and
21 says, "I want a pager. I want Kyle calling."
22 Are you with me?
23 A Okay
24 Q And let's assume that we've worked out
25 our difficulties here and, in fact, CenturyTel
0477
1 is routing traffic with ASAP's Kyle NXX to
2 ASAP's switch hanging off the Greenwood tandem.
3 Are you with me so far?
4 A I'm with you
5 Q Okay Doesn't that mean that the
6 traffic won't have to go over the lease
7 facility?
8 A Over the existing facility?
9 Q Yes, ma'am.
10 A And you are assuming that it is today?
11 Q Well, there was a lease facility there,
12 at least when y'all established it If there's
13 still a lease facility, that traffic will no
14 longer go over it, will it?
15 A So are you're eliminating all the
16 traffic to Kyle?
17 Q No, ma'am Just that one call
18 A Just the one call Yeah That one
19 call would be routed -- if you assume it was
20 going over that facility today, it would be
21 going over a different facility
22 Q So would you agree with me that,
23 insofar as we're talking about ASAP Kyle
24 numbers, then your lease transport cost from
25 Southwestern Bell to get in between San Marcos
0478
1 and Kyle will be reduced because the traffic is
2 going another way?
3 A No
4 Q Why not?
5 A Because I didn't eliminate any minutes
6 that were already going to Kyle
7 Q Well, our assumption was that the
8 customer no longer had land line service in
9 Kyle, but still only had a pager
10 A The one customer?
11 Q Yes, ma'am
12 A The relocation of one customer isn't
13 going to affect my cost to Kyle
14 Q But you will not incur the cost of that
15 lease transport facility in order to transport
16 that call, will you?

17 A This lease transport facility is a
18 fixed rate
19 Q It is, isn't it? Okay And,
20 similarly, the cost that you have in between
21 your tandem and your meet point with Bell, those
22 are fixed costs, too, aren't they?
23 A They are fixed costs that carry the
24 traffic today
25 Q Yes, ma'am Does CenturyTel have any
0479
1 information, any evidence whatsoever that
2 putting the traffic -- ASAP's traffic, at least
3 for the three NXXs in issue, routing it over the
4 facilities that go to the meet point with Bell?
5 A The ELCS meet point?
6 Q I believe so far I've asked you to
7 assume that the toll trunks and the ELCS trunks
8 go to the same place Okay And let's continue
9 that
10 A Okay They are still two separate
11 trunk groups Which one am I enhancing?
12 Q Within the same facility Right? Does
13 CenturyTel have any information or evidence
14 whatsoever that running ASAP's traffic over the
15 facilities that go to the meet point, whether
16 they be ELCS or toll, will cause CenturyTel to
17 incur sufficient traffic to have to put in new
18 facilities?
19 A New facilities both in my switch and
20 possibly new facilities in the ground? Yes, I
21 think we do
22 Q Have you presented that evidence here?
23 A No But I think you can direct some
24 questions to Mr Navarrette just about
25 additional trunking that CenturyTel has had to
0480
1 add
2 Q Trunking goes over channels in an
3 existing facility, doesn't it?
4 MS BROWN Could the witness be
5 permitted to complete her answer?
6 MR MCCOLLOUGH I apologize I
7 thought she was finished
8 JUDGE WALSTON Were you finished
9 with your answer?
10 A There is additional equipment that has
11 to be added to the switch And as you used --
12 as you use unused -- we have to add trunking
13 So you may have channels -- or facilities in
14 place, but they're not being used And they're
15 projected there for future use So they would
16 not be built into what is in cost recovery
17 today
18 Q (By Mr McCollough) Okay Let me get
19 that straight, then You're saying that there
20 is no benefit to Central [sic] Telephone in
21 terms of the transport facility --
22 MS BROWN Your Honor --
23 Q CentTel -- Century It's been a long
24 day

7 originate to ASAP's numbers are putting an unreasonable cost burden on CenturyTel?
 8 Question mark
 9 A I have not testified anything on the
 10 definition of reasonable or unreasonable. We
 11 would be happy to negotiate an interconnection
 12 arrangement with ASAP and to look at the costs
 13 associated with transporting ASAP's calls
 14 associated with transporting ASAP's calls -- correct --
 15 Q Calls to ASAP's numbers -- correct --
 16 from your customers?
 17 A (Witnesses nodded head)
 18 JUDGE WALSTON You need to answer
 19 out loud
 20 A Yes, sir
 21 Q (By Mr. McCollough) In fact, if we
 22 assume -- now we're going into another
 23 assumption. If we assume that the EDCS trunks
 24 and the toll trunks between CenturyTel's switch
 25 in San Marcos and Southwestern Bell, the EDCS
 0484
 1 which ends up ultimately in Lockhart, and the
 2 tandem in Greenwood -- if we assume that they
 3 all go over the same common group of fibers and
 4 all go to the same meet point -- can we make
 5 that assumption for a minute?
 6 MS BROWN Your Honor, I don't
 7 understand the question
 8 Q (By Mr. McCollough) Let's just assume
 9 that the toll trunks and the EDCS trunks all
 10 come out on the same group of fibers, same fiber
 11 bunch to the same meet point with Southwestern
 12 Bell. Can we assume that?
 13 A Sure
 14 Q Okay. If that is true -- and isn't it
 15 also true that CenturyTel is cost indifferent to
 16 whether a call is put on the EDCS trunks for
 17 routing to Lockhart or the toll trunks for
 18 routing to the Greenwood tandem?
 19 MS BROWN Your Honor, there's
 20 not enough in that question
 21 JUDGE WALSTON she can tell him
 22 Do you understand the question and can you
 23 answer it?
 24 A I understand the question. But, I
 25 mean, that's not enough information for me to
 0485
 1 make a call on whether I am cost indifferent
 2 Q (By Mr. McCollough) What more
 3 information do you need?
 4 A I mean, you've got to have traffic
 5 lines, and what's going to be required, and do
 6 I -- are there any costs associated with
 7 transporting that call beyond my meet point? I
 8 mean, if you just ask the question "is there a
 9 facility in place today between San Marcos and
 10 that hut over there? And, in a perfect world,
 11 am I not going to have to add anything else?"
 12 Then the answer, "yes, but that is not the
 13 case."
 14 Q Change the assumptions. Let's assume

25 JUDGE WALSTON Let's start over
 0481
 1 Q (By Mr. McCollough) There is no
 2 benefit to CenturyTel in terms of lightening the
 3 load for the EDCS trunks between San Marcos and
 4 Kyle for ASAP's traffic, but there is a burden
 5 for the ASAP traffic going to Greenwood?
 6 MS BROWN Your Honor, I object
 7 to the question because it assumes facts not in
 8 evidence. The witness has not agreed there's
 9 any "lightening of the load" -- in
 10 Mr. McCollough's words -- on EDCS traffic to
 11 Kyle or Lockhart or Trenton as a result of the
 12 traffic sent to ASAP's NPA-NXXs
 13 traffic sent to ASAP's NPA-NXXs
 14 question JUDGE WALSTON That's the
 15 question MS BROWN No, I think he
 16 said --
 17 JUDGE WALSTON she can answer it
 18 if she can or explain her answer if she needs
 19 to. Do you understand the question or do you
 20 need it to be asked?
 21 WITNESS SMITH please ask it
 22 again
 23 Q (By Mr. McCollough) Taking the traffic
 24 away from Kyle --
 25 A Taking a call away from Kyle
 26 Q In your opinion, doesn't help?
 27 A And putting one call on that trunking
 28 facility over there isn't going to hurt, either,
 29 one call
 30 Q So the sum total of ASAP's traffic --
 31 MS BROWN Now, your Honor, are
 32 we changing the hypothetical?
 33 MR McCollough Yes. Now we're
 34 moving on
 35 MS BROWN could you --
 36 JUDGE WALSTON, I think he was
 37 not enough in that question
 38 JUDGE WALSTON she can tell him
 39 Do you understand the question and can you
 40 answer it?
 41 A I understand the question. But, I
 42 mean, that's not enough information for me to
 43 make a call on whether I am cost indifferent
 44 Q (By Mr. McCollough) What more
 45 information do you need?
 46 A I mean, you've got to have traffic
 47 lines, and what's going to be required, and do
 48 I -- are there any costs associated with
 49 transporting that call beyond my meet point? I
 50 mean, if you just ask the question "is there a
 51 facility in place today between San Marcos and
 52 that hut over there? And, in a perfect world,
 53 am I not going to have to add anything else?"
 54 Then the answer, "yes, but that is not the
 55 case."
 56 Q Change the assumptions. Let's assume
 57 position is that the traffic its customers
 58 Q (By Mr. McCollough) CenturyTel's
 59 It's not a hypothetical
 60 MR McCollough We're moving on.
 61 clearly reflects the new hypothetical
 62 I'd just like to make sure that the record
 0483
 25 hypothetical. If we have a new hypothetical,
 24 I'm sorry wherever that was the
 23 MS. BROWN got a pager from ASAP
 22 Austin
 21 MR McCollough Not a pager in
 20 a pager in Austin and so I think we've gone --
 19 customer in Kyle gave up their telephone and got
 18 when this started off, it was at a land line
 17 MS BROWN, well, the first --
 18 when this started off, it was at a land line
 19 customer in Kyle gave up their telephone and got
 20 a pager in Austin and so I think we've gone --
 21 MR McCollough Not a pager in
 22 Austin
 23 MS. BROWN got a pager from ASAP
 24 I'm sorry wherever that was the
 25 hypothetical. If we have a new hypothetical,

15 that instead of the calls presently going to
16 ASAP's Lockhart number -- the 384 NXX -- that,
17 instead, those calls are destined to a
18 Southwestern Bell Lockhart end user. In other
19 words, instead of paging an ASAP customer with a
20 Lockhart NXX, the call is going to a
21 Southwestern Bell land line customer line. Are
22 we together so far?

23 A Uh-huh
24 Q Same call just going to a different
25 place

0486

1 A Okay
2 Q If we assume that the ELCS trunks and
3 the toll trunks all ride on a common facility to
4 the meet point with Southwestern Bell in San
5 Marcos, the cost of the call is the same, isn't
6 it?

7 MS. BROWN Your Honor, I object
8 This question has been asked and answered three
9 times

10 MR McCOLLOUGH No
11 MS BROWN Twice on
12 Mr McCollough's direct examination and once
13 just now by the witness. And I also object on
14 the grounds that it's beyond the scope of the
15 redirect. I believe the questions regarding
16 ELCS, because -- we addressed that to some
17 degree in my recross, but now we're on to some
18 form of cost study about whether costs for calls
19 one way versus cost for calls another way, and I
20 think we're beyond the scope of the redirect.

21 JUDGE WALSTON I think he changed
22 his hypothetical. I can't remember if it's
23 beyond the scope or not. But why don't you --
24 if she can answer this one and then we can move
25 on to something else. We're kind of beating a

0487

1 dead horse, I do think
2 WITNESS SMITH And I have lost
3 the question. Could you -- I'm sorry.
4 Q (By Mr McCollough) We have the
5 assumption that the ELCS trunks and the toll
6 trunks all come out on the same -- or ride on
7 the same fiber to the meet point with
8 Southwestern Bell. Are we there?

9 A (Witness nodded head)
10 Q Let's assume that instead of a call to
11 ASAP's Lockhart NXX for a paging customer, that
12 call instead goes to a Southwestern Bell land
13 line customer line. Okay?

14 A (Witness nodded head)
15 Q Does that call cost CenturyTel anything
16 different, or less?

17 A The recovery is different
18 Q I'm talking about costs incurred,
19 ma'am

20 A Whether I'm -- I mean, that facility
21 that was put in place for those two trunk
22 groups -- if you are asking me if it costs any

23 more for a like-sized trunk group from my San
24 Marcos end office to the hut compared to the San
25 Marcos tandem to the hut, that particular

0488

1 facility costs the same. The recovery on those
2 facilities, however, is different.

3 Q Revenues. You are saying the revenues
4 are different?

5 A The cost recovery.

6 Q How do you recover costs?

7 MS BROWN Your Honor, I am going
8 to object that we're well beyond the scope of
9 redirect.

10 JUDGE WALSTON I think we are at
11 this point.

12 Q (By Mr McCollough) Okay. There was
13 some comparison of access charges, and Ms Brown
14 asked you a series of questions about switched
15 access charges in the context of a call using an
16 IXC such as AT&T or MCI. Do you remember those?

17 A Yes, sir.

18 Q Is ASAP an IXC?

19 A I think in cases ASAP acts as an IXC,
20 or could.

21 Q That means we're entitled to dialing
22 parity, doesn't it?

23 A Does an IXC have numbers?

24 Q I'm sorry? I'm sorry. I really didn't
25 hear you.

0489

1 A I said, does an IXC have numbers?

2 Q Well, typically, the lawyers are the
3 one that ask the question. Let me turn it back
4 around.

5 A I'm asking. I don't know.

6 Q IXCs are not assigned NXXs, are they?

7 A I --

8 Q Well, is it CenturyTel's position that
9 ASAP is an IXC or is acting like an IXC?

10 A No. Our position is that for the
11 termination of local calls, that there is a
12 separate recip comp arrangement for those calls
13 within the MTA as opposed to those calls outside
14 the MTA. Those calls that are terminated beyond
15 the MTA, they are IXC or interexchange-like.

16 Q Okay. IXC or interexchange-like.

17 Well, to the extent they are IXC or
18 interexchange-like, doesn't that mean that ASAP
19 is entitled to dialing parity?

20 A I would not say that ASAP is not

21 receiving dialing parity.

22 Q I'm sorry. That's not responsive.

23 MS BROWN Your Honor, I believe
24 that if Mr McCollough has an objection to the
25 witness's response, he should direct it to you.

0490

1 MR McCOLLOUGH I object

2 MS BROWN And not to the

3 witness

4 JUDGE WALSTON Do you understand

5 the question? Can you answer it? He's asking you, "Is ASAP entitled to dialing parity?"

6 A Yes

7 MR McCOLLOUGH That's all, your Honor.

8

9 JUDGE WALSTON Okay

10 MR Stewart, do you have anything else?

11 MR Stewart Yes, I believe one question

12 BY MR. STEWART

13 I guess this is a hypothetical question

14 Q I guess this is a hypothetical question, but there will be some facts that I'll ask you to pull into it. Assume that CenturyTel files a surcharge case at the Texas Commission and seeks recovery of transport costs -- some nonzero transport cost. Do you believe that the Texas Commission would refuse to recognize those transport costs based on the identity of the terminating carrier? And maybe I should explain a little bit by saying, in other words, do you believe the Texas Commission would refuse to recognize transport cost for calls made that are -- that calls that are terminated by a CLEC or CMS carrier as opposed to by the other CLEC that was involved in the petition case? If that's -- go ahead

7 A I don't know that there's a means to go before the commission since there is no longer a petitioning party to recover costs. If the Commission would allow it, which I don't believe that it's written in the statute somewhere -- I mean, it was written that a party was going to petition, and then you could recover your costs. At this point in time, I don't know of a mechanism to go before the commission and ask for recovery of that transport price, an additional surcharge to be added to my end user. Maybe I didn't ask my question properly, because I think you answered that carriers can no longer seek EDCS surcharge that what you are saying?

21 A No This is an area that's already in place

22 Q Uh-huh

23 Okay Are you familiar with the process whereby a carrier can seek to increase or add to its EDCS surcharge?

4 A Has that ever been done?

5 I don't want to be a witness But --

6 (Laughter)

7 JUDGE WALSTON Are you aware, Ms Smith?

8 A I am not aware

9 Q (By Mr Stewart) Let's assume that a carrier can seek an increase in its surcharge, and let's assume that CenturyTel has done so in

13 the past -- not necessarily CenturyTel of San Marcos, because I don't know, it may not have Anyway, assume -- maybe I'll make it a little bit different. Assume that it need not be -- assume that it is an initial surcharge request. In an initial surcharge request, do you believe that the Texas Commission would regard purported transport cost differently, based on whether they related to calls terminated by CLECs or CMS carriers as opposed to by the other EDC that was involved in the initial petition case?

24 A I don't know

25 Q Okay And the reason I ask is I thought I understood -- and I may have misunderstood. I thought I understood you earlier to suggest that the Commission would not authorize a surcharge for transport costs associated with a question from Ms Brown

6 That's my understanding today, but based upon your assumption, I don't know. You tell me to assume that a company went before to recover some additional expenses associated with other providers, or at the time of initial application, there were other providers. And I don't know the answer. I mean, my assumption was, no, that the Commission would not approve. But since you're asking the question, I'm not sure.

17 Q Okay If I understand --

18 (Laughter)

19 Q (By Mr Stewart) -- your answer was based on your understanding of CenturyTel's actual history as opposed to a case where CenturyTel or another carrier might ask for recovery of transport costs associated with calls terminated by a nonILEC carrier?

24 A Right

25 Q So it is possible that the Texas Commission would recognize those and allow a surcharge for transport costs associated with calls terminated by a nonILEC carrier?

4 A I don't know.

5 MR STEWART Okay That's all. Thank you sorry for the complicated questions. I hate to muddy the waters, but after Mr Stewart asked his questions, it jogged -- maybe I misunderstood some of your testimony earlier that I want to ask you about

13 CLARIFYING EXAMINATION

14 BY JUDGE WALSTON

15 Q Going back to, I guess, ASAP's Exhibit No 27, I've marked it with a flag. This little chart where it shows toll revenue and the transports cost of zero -- do you remember that?

19 A Yes

20 Q Did I understand you correctly that

0491

0494

0495

21 transport cost is listed as zero because that's
22 a -- I thought it meant you just said it was
23 subsumed within the lost toll revenue
24 A At the point in time that this was put
25 into place -- you know, and, again, I'm sure
0495
1 that it went through various gyrations before
2 this was finally approved But because built
3 into your toll recovery is also a transport
4 element, that I will assume that that is built
5 into that lost toll amount
6 Q Okay. That's what I thought you said,
7 but I just wanted to make sure
8 A At this point in time
9 JUDGE WALSTON Okay. Anything
10 else?
11 MS BROWN I have a little bit of
12 redirect.
13 JUDGE WALSTON Okay
14 FURTHER REDIRECT EXAMINATION
15 BY MS BROWN
16 Q And let's start with that last
17 question The transport that would be included
18 in the lost toll, would that be related to the
19 volume of traffic when the route was toll?
20 A Oh, yes
21 Q Would that transport cost include any
22 costs associated with additional calling when
23 that toll route moved from a usage-based rate to
24 a flat rate?
25 A No
0496
1 Q With respect to Mr McCollough's
2 questions, can the -- the circuits that leave
3 the San Marcos switch to go to Lockhart, the
4 ELCS circuits that leave that switch go to
5 Lockhart, can those be used interchangeably with
6 the circuits that leave the San Marcos switch to
7 go to Austin?
8 A No
9 Q Are they physically separate?
10 A Yes
11 Q Are they operationally separate?
12 A Yes
13 Q Now, is it -- in this proceeding, the
14 traffic that's at issue with respect to ASAP is
15 paging traffic and Internet Service Provider
16 traffic?
17 A Correct
18 Q Can you envision a situation where
19 paging traffic or Internet Service Provider
20 traffic would replace voice traffic between San
21 Marcos and Lockhart?
22 A No.
23 Q If a granddaughter in San Marcos calls
24 her grandmother in Lockhart, can you envision --
25 perhaps, in the future they might page one
0497
1 another, but would that replace the actual voice
2 conversation that those two people might try to

3 have?
4 A Not as long as I was the LEC, no.
5 Q Or if that were your grandmother?
6 A That's right.
7 Q And might they communicate by Internet?
8 A They may.
9 Q Okay Could you switch -- if they did
10 decide that in the future they weren't going to
11 talk to each other, they were either going to
12 page each other or use the Internet, would you
13 still have the obligation to have facilities
14 between the San Marcos office and the Lockhart
15 office for voice traffic?
16 A Yes.
17 Q Now, if you had a proceeding in which
18 you were to determine the cost of the facilities
19 you use to provide ELCS service to Lockhart,
20 would you count in the cost of the -- for the
21 ELCS service to Lockhart any of the trunks that
22 you have that go to the Greenwood tandem in
23 Austin?
24 A No
25 Q Would it be appropriate to do so?
0498
1 A No
2 Q Do those carry ELCS traffic?
3 A No.
4 Q Now, with respect to ASAP and Internet
5 Service Provider traffic, if a San Marcos end
6 user wanted to call an Internet Service Provider
7 with a modem in Austin, could a call be placed
8 today as a long distance call to that Internet
9 Service Provider in Austin?
10 A Sure
11 Q And do -- are there private line
12 circuits or dedicated facilities, nonusage-based
13 services that would substitute for the
14 usage-based toll service in order for a customer
15 to place a call to an Internet Service Provider
16 in Austin?
17 A Yes
18 Q And if you were an Internet Service
19 Provider in San Marcos, and you wanted to get
20 your Internet traffic from your location in San
21 Marcos to the Internet backbone in Austin, is
22 that traffic comparable to ELCS traffic from San
23 Marcos to Lockhart?
24 A No
25 Q And what -- tell me how the traffic
0499
1 from an Internet provider in San Marcos to
2 the -- to a modem in Austin and on to the
3 Internet backbone would differ from the type of
4 calling you receive -- you would carry over an
5 ELCS trunk between San Marcos and Lockhart
6 A The Internet Service Provider would
7 provide his own facilities between -- whether he
8 leased them from Century or from another
9 provider to get from his location in San Marcos
10 to the backbone in Austin He would not be

1 you do is your calculate your lost toll
 2 revenues Right?
 3 A At that point in time.
 4 Q Yes. And it's a netting process.
 5 Correct?
 6 A A netting --
 7 By "netting" you figure out the net
 8 revenues lost. Correct? Not the gross revenues
 9 lost, but the net revenues lost?
 10 A Explain to me the difference between
 11 the net and gross revenues lost
 12 Q Let me back up a second. You had
 13 included that the transport costs associated
 14 with providing toll was included in the lost
 15 toll calculation?
 16 A Yes
 17 Q Okay
 18 A You would assume that that is built
 19 into your toll recovery
 20 Q Yes, ma'am. Okay. And so by
 21 recovering your lost toll as a result of ELCS,
 22 you are recovering the transport cost that was
 23 incurred in providing toll before there was
 24 ELCS?
 25 A Yeah. At a fixed point in time
 0506
 1 Q Okay. Now the second part of the
 2 calculation is to determine the additional costs
 3 associated with providing ELCS. Right?
 4 A It could be, but, obviously, that was
 5 not the case
 6 Q Well, typically, the first thing people
 7 look at is the stimulation effect of what was a
 8 usage-sensitive call now becoming part of local
 9 Right?
 10 A I would agree with you on an EAS study
 11 Q So you don't know whether for ELCS
 12 stimulation effects are accounted for?
 13 A I mean, this is subject to review, but
 14 it does not look like there was a stimulation
 15 factor included in these lost toll numbers.
 16 Q Not lost toll. Additional calls.
 17 A This is lost -- the study that you've
 18 presented here is lost toll
 19 Q Let's take a look at Schedule C, Page
 20 1, then
 21 A Uh-huh
 22 Q What you are saying is there is no
 23 additional cost calculation on Schedule C, Page
 24 1?
 25 A A stimulation factor?

9 A Where is the user?
 10 Q The ISP is buying --
 11 A The ISP
 12 Q The ISP is buying service from
 13 Southwestern Bell in Lockhart --
 14 A Okay
 15 Q -- has San Marcos customers. It used
 16 to call it when it was served by ASAP's switch
 17 in Austin. You with me so far?
 18 MS BROWN I'm sorry. May I have
 19 the question again?
 20 MR MCCOLLOUGH. Sure. Let me
 21 just back up.
 22 A Okay. Thank you.
 23 Q (By Mr McCollough) There is an ISP
 24 customer of ASAP served off of ASAP's Greenwood
 25 connection to its switch with a Lockhart number
 0507
 1 A Okay
 2 Q Okay. And there are customers in San
 3 Marcos calling the Lockhart number of the ISP
 4 You with me so far?
 5 A Okay
 6 Q ISP says, "I'm tired with fooling with
 7 you, Gaetjen. I'm going to go back to an ILBC
 8 and buy service from Southwestern Bell in
 9 Lockhart."
 10 A Okay
 11 Q Okay
 12 A Puts the modems there
 13 Okay
 14 Q Same amount of calls as before
 15 Uh-huh
 16 Q Traffic stays constant
 17 Uh-huh
 18 Q Has CenturyTel's transport cost
 19 responsibility changed -- has transport cost
 20 changed one iota as a result of the switch from
 21 the ISP being served by the ASAP Austin switch
 22 now being served by the Lockhart Southwestern
 23 Bell switch?
 24 A Can I make sure I understand your
 25 question? This ISP has decided that instead of
 0508
 1 services in Kyle from Southwestern Bell
 2 Lockhart
 3 A I mean from Lockhart. I'm sorry. From
 4 Southwestern Bell
 5 Yes, ma'am
 6 But the San Marcos customers are still
 7 dialing a telephone number to reach Lockhart
 8 Yes, ma'am
 9 Then the traffic is now going across
 10 the ELCS trunk groups
 11 Q Uh-huh
 12 A And, yes, it could result in additional
 13 expense of facilities to Lockhart. I mean, it's
 14 a hypothetical
 15 Q So CenturyTel's cost may, in fact,
 16 increase?

Southwestern Bell in Lockhart " Okay?"

1 Mr. Gaetjen I'm going to go buy service from
 2 ISP says, "I don't take your service,
 3 Okay
 4 Let's take one of ASAP's Austin switch
 5 if we can. Served off of ASAP's ISP customers,
 6 Doesn't appear to be.
 7 Yes, ma'am

1 Yes, ma'am
 2 A A stimulation factor?
 3 additional cost calculation on Schedule C, Page
 4 1?

1 Let's take a look at Schedule C, Page
 2 1, then
 3 A Uh-huh
 4 Q What you are saying is there is no
 5 additional cost calculation on Schedule C, Page
 6 1?

1 Let's take a look at Schedule C, Page
 2 presented here is lost toll
 3 Q Let's take a look at Schedule C, Page
 4 1, then
 5 A Uh-huh
 6 Q What you are saying is there is no
 7 additional cost calculation on Schedule C, Page
 8 1?

1 Let's take a look at Schedule C, Page
 2 presented here is lost toll
 3 Q Let's take a look at Schedule C, Page
 4 1, then
 5 A Uh-huh
 6 Q What you are saying is there is no
 7 additional cost calculation on Schedule C, Page
 8 1?

1 Let's take a look at Schedule C, Page
 2 presented here is lost toll
 3 Q Let's take a look at Schedule C, Page
 4 1, then
 5 A Uh-huh
 6 Q What you are saying is there is no
 7 additional cost calculation on Schedule C, Page
 8 1?

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 4 1, then
 5 A Uh-huh
 6 Q What you are saying is there is no
 7 additional cost calculation on Schedule C, Page
 8 1?

1 Let's take a look at Schedule C, Page
 2 presented here is lost toll
 3 Q Let's take a look at Schedule C, Page
 4 1, then
 5 A Uh-huh
 6 Q What you are saying is there is no
 7 additional cost calculation on Schedule C, Page
 8 1?

1 Let's take a look at Schedule C, Page
 2 presented here is lost toll
 3 Q Let's take a look at Schedule C, Page
 4 1, then
 5 A Uh-huh
 6 Q What you are saying is there is no
 7 additional cost calculation on Schedule C, Page
 8 1?

11 putting that switch traffic over the ELCS trunk
12 group

13 Q Would those calls be longer in holding
14 time, in your experience?

15 A Than a paging and an average voice?
16 Much longer than a paging call, and longer than
17 an average MTS or even local call

18 Q Would that -- how would that impact
19 CenturyTel's costs if it had to provide a
20 portion of the transport from San Marcos to
21 Austin? How would a that impact your cost?

22 A It would require me to have additional
23 trunks and provision in establishment of
24 additional trunks

25 Q Today, if you had to put those trunks

0500

1 in, what types of charges would you charge a
2 carrier for that type of trunking facility?

3 A Today?

4 Q Today

5 A To get to Austin?

6 Q Yes, ma'am

7 A It would be an interexchange call He
8 would either order it under a flat-rate
9 broadband or special circuit, or he -- it could
10 be usage-sensitive, but it would not be a
11 flat-rate call

12 Q And if a -- if what is now today a
13 billable service, a service for which you would
14 charge, became a free service, would you expect
15 the traffic volumes to grow exponentially?

16 A Oh, yes

17 Q Do other carriers besides CenturyTel
18 offer that link between San Marcos and Austin?

19 A In -- yes

20 Q Who would some of those carriers be?

21 A Grande, AT&T, Sprint, Verizon

22 Q And if -- are you -- is CenturyTel
23 attempting to charge ASAP any differently with
24 respect to its Internet traffic than it would
25 charge any other carrier like Century or Grande

0501

1 or -- or I'm sorry -- like AT&T or MCI, if you
2 were to provide any part of the circuit in
3 connection with one of those other carriers?

4 A No

5 Q Now, if ASAP is considered to be an
6 interexchange carrier, would -- for calls
7 between San Marcos and Austin, does an
8 interexchange carrier today get -- what kind of
9 dialing pattern would CenturyTel implement for
10 an interexchange carrier with respect to calls
11 from Austin to -- San Marcos to Austin? Would
12 it be seven-digit dialing, 1-plus dialing? What
13 does "dialing parity" mean with respect to
14 interexchange calls?

15 A It's a toll call If you are dialing
16 Austin, it's 11-digit dialing

17 Q And dialing parity, in that instance,
18 had to do with the old system where some

19 carriers used what was called "Picture Group A"
20 and you had to dial --

21 MR. MCCOLLOUGH I'm going to
22 object This is leading

23 JUDGE WALSTON Why don't you
24 start over I was thinking of something else,
25 to be honest with you, while you were asking the

0502

1 question

(Laughter)

3 JUDGE WALSTON I don't know if
4 you were leading or not

(Laughter)

6 MS BROWN That's okay Yes
7 Right

8 JUDGE WALSTON I was thinking
9 about the case

10 MS BROWN. Good Good

11 MR MCCOLLOUGH We're much

12 reassured

13 Q (By Ms Brown) Dialing parity in an
14 interexchange environment means that a carrier
15 that wants equal access or a carrier that wants
16 1-plus dialing can get 1-plus --

17 MR MCCOLLOUGH Leading question

18 JUDGE WALSTON That one is

19 leading there, I think

20 MS BROWN Okay

21 Q (By Ms Brown) What does dialing

22 parity mean with respect to interexchange calls?

23 A That every interexchange carrier would
24 have access to the same dialing pattern, which
25 in this case, it's a toll call

0503

1 Q Now, Mr McCollough has asked you
2 several times to assume that the ELCS trunks and
3 the toll trunks to Austin are on a common fiber.
4 Is that an appropriate assumption for the facts
5 in this case?

6 A No

7 Q To your knowledge?

8 A No

9 Q And why is it not an appropriate
10 assumption?

11 A They are separate trunk groups They
12 are separate -- they are separate trunk groups
13 They go to separate terminations They have
14 separate traffic on them One is not used for
15 the purpose of exchanging traffic for the other
16 They are separate

17 MS BROWN Your Honor, that's all
18 I have

19 JUDGE WALSTON Do you have

20 anything, Mr McCollough?

21 MR MCCOLLOUGH I'm going to try
22 to make this really short

23 FURTHER RE-CROSS-EXAMINATION

24 BY MR MCCOLLOUGH

25 Q In an ELCS cost study, the first thing

0504

7 MR STEWART. Thank you I
8 appreciate that. Yes. That's how I should have
9 asked it.
10 Q (By Mr Stewart) Do you believe it
11 would be appropriate? When would you ask for
12 those -- recovery of those costs?
13 A I mean, no, at this point in time, I do
14 not believe it would be appropriate to come
15 before this Commission to ask for cost recovery
16 for one carrier -- additional surcharges to be
17 placed on a user to terminate calls for one
18 carrier without some kind of a demand study.
19 And noting, too, that these are -- this is a
20 Kyle exchange. It's those customers that
21 petitioned for local calling into San Marcos. I
22 don't have anybody that petitioned for local
23 calling into Kyle. So how would I go before the
24 Commission at this point in time to ask for
25 additional cost recovery?
0514
1 MR STEWART: Okay. If you
2 continue to hold those beliefs, can I use you as
3 a staff witness?
4 (Laughter)
5 MR STEWART. No offense to
6 Mr. Kelsam with his strong testimony against
7 EICS surcharge requests. That's it. Thank you
8 JUDGE WALSTON Did you say you
9 pass the witness?
10 MR STEWART I'm sorry. Thank
11 you. Pass the witness.
12 JUDGE WALSTON Okay. All right.
13 I assume there's nothing else right?
14 MS BROWN No, Your Honor, thank
15 you.
16 WITNESS SMITH I really can't say
17 thank you.
18 JUDGE WALSTON We'll go off the
19 record a minute.
20 (Recess: 3:10 p.m. to 3:30 p.m.)
21
22 (CenturyTel Exhibit Nos 1, 1A, 5
23 and 5A marked)
24 JUDGE WALSTON: Okay. We'll go
25 back on the record at this time. And,

15 to continue to urge some time after today. And
16 the Exhibit 5 -- CenturyTel Exhibit 5 will be
17 admitted, subject to a ruling and on those
18 objections.
19 MR MCCOLLOUGH Just to add to
20 that and to be fair, Ms Brown also indicated
21 she wanted an opportunity to respond to my
22 assertions.
23 JUDGE WALSTON Correct. Right.
24 But the deposition will be admitted subject to a
25 ruling on those objections.
0516
1 (CenturyTel Exhibit Nos 5 and 5A
2 admitted)
3 MS BROWN. Your Honor, I would
4 now ask -- we're ready to proceed with
5 Mr Navarrete.
6 JUDGE WALSTON Okay.
7 Mr Navarrete, would you raise your right hand?
8 (Witness sworn)
9 JUDGE WALSTON Okay. Will you
10 state your full name for the record.
11 WITNESS NAVARRETTE John
12 Navarrete.
13 JUDGE WALSTON Okay. Ms Brown
14 JOHN NAVARRETTE,
15 having been duly sworn, testified as follows
16 BY MS BROWN
17 Q Mr Navarrete, do you have before you
18 what has been marked as CenturyTel Exhibit 1 and
19 1A?
20 A Yes, I do.
21 Q Is Exhibit 1 your prefiled direct
22 testimony?
23 A Yes.
24 Q And is Exhibit 1A the confidential
25 exhibit to your testimony Exhibit JLN-5?
1 A JLN-5, yes, it is.
2 Q If I were to ask you the questions that
3 are contained in your prefiled testimony today,
4 would your responses be the same?
5 A Yes, they would.
6 Q Do you have any changes or corrections?
7 A The changes and -- I'm sorry. That was
8 on the deposition, wasn't it? No. No
9 corrections.
10 MS BROWN Your Honor, I would
11 move the admission of exhibit -- CenturyTel
12 Exhibit 1 and 1A
13 JUDGE WALSTON Okay. And I
14 believe that the prefiled objections have
15 already been ruled on. So CenturyTel Exhibit 1
16 and 1A will be admitted.
17 (CenturyTel Exhibit Nos 1 and 1A
18 admitted)
19 JUDGE WALSTON Okay.
20 Mr. McCollough, do you have some cross?
21 MR. MCCOLLOUGH I do
22

17 A They may have to add additional
18 facilities to the ELCS trunk group Yes
19 Q You mentioned that there were other
20 carriers providing transport between San Marcos
21 and Austin You mentioned Grande, Verizon,
22 Sprint?
23 A Uh-huh
24 Q Okay
25 A AT&T, MCI

0509
1 Q SWBT?
2 A SWBT, uh-huh
3 Q You emphasized that the ELCS trunks and
4 the toll trunks are separate trunk groups and
5 separate terminations?
6 A Uh-huh
7 Q But if we assume that the ELCS trunks
8 and the toll trunks all go to the same meet
9 point, they're going to ride in the same fiber
10 group, aren't they?
11 A They could, yeah
12 Q So when you say "trunk groups," what
13 you're talking about is appearances on a switch
14 and terminations on a switch Correct?
15 A Yes, and the provisioning of that group
16 to the hut Yes
17 Q And logical channels that are
18 multiplexed onto a large transport facility?
19 A Now, if we're going to talk about how
20 trunks are established and provisioned, you need
21 to direct that to somebody else
22 Q If I go no further, can you answer the
23 last question that I asked?
24 A Is there additional expense?
25 Q No, ma'am

0510
1 A What was your question? I'm sorry
2 Q What I'm trying to say is the
3 importance of separate trunk groups and separate
4 terminations is that there may be separate
5 appearances on a switch They may be on one
6 part of a switch as opposed to another part of a
7 switch But if they all ride on the same fibers
8 and all go to the same place, and they go in the
9 same group of fibers, as it pertains to
10 transport, the cost is going to be the same,
11 isn't it?
12 A The cost from one point to another,
13 but the recovery is different

14 MR MCCOLLOUGH No further
15 questions

16 JUDGE WALSTON Do you have
17 anything else, Mr Stewart?

18 MR STEWART One question
19 FURTHER RECROSS-EXAMINATION
20 BY MR STEWART

21 Q It's based on what I understand to be
22 your response to a question Ms Brown asked that
23 was perhaps somewhat in response to a question I
24 asked The question I asked about calls that

25 terminate on a nonILEC carrier, and inclusion of
0511

1 those transport costs and the surcharge And if
2 I understand -- if I recall correctly, Ms Brown
3 asked you a question about would it be
4 appropriate to include transport costs between
5 San Marcos and the Greenwood tandem -- more
6 particularly, about the facts of this case And
7 I believe your response was that it would not be
8 appropriate Am I recalling correctly?
9 A I think this is back to the same
10 question you asked is would I -- are you
11 asking -- ask me again
12 Q Let me ask -- you're right I was
13 just -- I want to ask -- I want to ask a
14 question, but I just wanted to make sure that I
15 had understood what went on before properly. Am
16 I recalling correctly that you responded that it
17 would not be appropriate to include in a
18 surcharge request -- ELCS surcharge request of
19 the Texas Commission, would not be appropriate
20 to include transport costs associated with
21 transporting calls from San Marcos to the
22 Greenwood tandem in regard to calls that go from
23 a San Marcos end user to a number -- a number
24 out of the 512-384 block?
25 A In my opinion, no, it would not be

0512
1 Q No, it would not be appropriate Okay
2 And so I am recalling somewhat correctly there
3 What if we assume that either as a result of the
4 Commission's decision in this case or because
5 there's a written agreement between ASAP and
6 CenturyTel to resolve all of this, that calls
7 are going from San Marcos end users to 512-384
8 numbers on a basis whereby CenturyTel and ASAP
9 agree on a treatment Would it then be
10 appropriate to include any transport costs
11 associated with those calls in an ELCS surcharge
12 request case?
13 A I guess if the Commission determined it
14 was appropriate, then it's appropriate

15 Q Let me ask it this way Would you --
16 assuming you're the sponsoring witness in some
17 hypothetical future ELCS surcharge request --
18 (laughter) -- and, again, also assuming what I
19 said about it being -- this being resolved
20 either by a Commission -- this case being
21 resolved, would -- do you believe it would be
22 appropriate -- do you believe the Commission
23 would refuse to acknowledge those transport
24 costs?
25 MS BROWN Your Honor, I think

0513
1 it's inappropriate to ask this witness what the
2 Commission would do
3 JUDGE WALSTON You ought to ask
4 her, "Do you think it would be appropriate to
5 ask for it?" I think that's what you are trying
6 to get at

19 Q Okay So you would defer to Mr. Robinson or Ms Smith?

20 A Yes, or corporate legal

21 Q You didn't include them here, did you?

22 A Well, it was on the copy of the page -- the yellow page copies. It wasn't included in the yellow page copies?

23 Q Well, let's turn to the yellow page copies, 00046. Do you see on the -- about midway down on the far left-hand side, the heading "Radio Paging Signaling and Common Carrier Service"?

24 A Yes

25 Q Okay. It refers you to a different page. Paging and signaling equipment, doesn't it?

26 A Yes

27 Q You didn't include that page, did you?

28 Q That is correct

29 Q Did you look at that other page?

30 A Yes, I did.

31 Q Is Centex Paging in there?

32 A Yes, it is. With no reference to ASAP.

33 Q Paging

34 Q Understanding. You're not contending that ASAP has no customers in San Marcos, are you?

35 A No, I am not.

36 Q There's another opportunity. And, really, I'm not trying to dissuade you. We've been going here two days. I feel no great reason to replem all this ground. With regard to CenturyTel's policy on whether it would route calls to carriers and rate calls as local, whether there is no agreement, should I --

37 Q Out of my purview

38 Q You can defer to somebody else?

39 A Yes

40 Q Okay. And what about the decision as to rate any particular call as local or toll?

41 A I am not --

42 Q Now, on page 9, lines 9 through 10, you testify that it's your understanding that ASAP has several options as to delivery of these calls to its Austin switch. Do you see that?

43 A Yes

44 Q Would you agree with me that your understanding of the options available are for, one, ASAP to allow CenturyTel's end users to pay ASAP paging as not in the White Pages?

45 A Well, it's in the White Pages. It refers it to Horizon Telecom

46 Q Okay

47 Q Or Horizon Communications. Excuse me

48 Q Okay. Did you look for paging companies that may be resellers of ASAP's services?

49 A Yes, I did

50 Q Yes, I did

51 Q Did you look for Centex paging?

52 Q Yes, I did

53 Q Yes, I did

54 Q Yes, I did

55 Q Yes, I did

56 Q Yes, I did

57 Q Yes, I did

58 Q Yes, I did

59 Q Yes, I did

60 Q Yes, I did

61 Q Yes, I did

62 Q Yes, I did

63 Q Yes, I did

64 Q Yes, I did

65 Q Yes, I did

66 Q Yes, I did

67 Q Yes, I did

68 Q Yes, I did

69 Q Yes, I did

70 Q Yes, I did

71 Q Yes, I did

72 Q Yes, I did

73 Q Yes, I did

74 Q Yes, I did

75 Q Yes, I did

76 Q Yes, I did

77 Q Yes, I did

78 Q Yes, I did

79 Q Yes, I did

80 Q Yes, I did

81 Q Yes, I did

82 Q Yes, I did

83 Q Yes, I did

84 Q Yes, I did

85 Q Yes, I did

86 Q Yes, I did

87 Q Yes, I did

88 Q Yes, I did

89 Q Yes, I did

90 Q Yes, I did

91 Q Yes, I did

92 Q Yes, I did

93 Q Yes, I did

94 Q Yes, I did

95 Q Yes, I did

96 Q Yes, I did

97 Q Yes, I did

98 Q Yes, I did

99 Q Yes, I did

100 Q Yes, I did

3 the question
4 JUDGE WALSTON Be specific as
5 to --
6 MR McCOLLOUGH I'll restate the
7 question
8 Q (By Mr. McCollough) The three
9 CenturyTel operating companies in Texas combined
10 serve over 50,000 lines in Texas Correct?
11 A Yes, sir
12 Q You testify on Page 8 of your
13 testimony, Lines 17 to 18 --
14 A My 8 is missing out of this copy
15 MS BROWN Did it just get --
16 WITNESS NAVARRETTE It got missed
17 on both I do not have an 8
18 MS BROWN Your Honor, it appears
19 that when the record copies were made for
20 Mr. Navarrette's testimony that they were only
21 done on a one-sided basis
22 MR McCOLLOUGH What was offered
23 has only the odd pages
24 JUDGE WALSTON Oh, yeah. It sure
25 does.
0528
1 MR McCOLLOUGH -- add that later
2 and all cross on only the odd pages
3 WITNESS NAVARRETTE You are
4 correct It is blank I have no Page 9, no
5 even numbers
6 (Discussion off the record)
7 MS BROWN Your Honor, may I ask
8 at the next time we reconvene to be able to
9 substitute a complete copy of CenturyTel Exhibit
10 1?
11 JUDGE WALSTON Sure Yes, you
12 can do that
13 MR McCOLLOUGH Can he have some
14 other kind of working copy?
15 MS BROWN We've given him one
16 Q (By Mr. McCollough) Okay That would
17 be a convenient excuse to say, "I don't know,"
18 wouldn't it?
19 A Yes I have Page 9 in my hand now
20 Q All right Line 17 to 18, you say you
21 began to route the calls to the Austin
22 Greenwood -- the calls to ASAP's NXXs
23 MS BROWN Can you give me one
24 moment, please? Sorry Thank you
25 Q (By Mr. McCollough) You say that you
0529
1 began to route calls to ASAP's NXXs to the
2 Austin Greenwood tandem in October 2001 on a
3 30-day temporary basis pending negotiation of
4 agreement Do you see that?
5 A Yes
6 Q Okay Now, you don't have any
7 correspondence from Mr. Gaetjen indicating
8 understanding and consent to a temporary 30-day
9 agreement -- arrangement, do you?
10 A I have an e-mail copy, not a -- what

11 did you ask?
12 Q Whether you had any kind of
13 communication from Mr. Gaetjen in writing
14 expressing understanding and consent that the
15 code opening in October would be only for 30
16 days, pending execution of an agreement?
17 A No, I do not.
18 Q In fact -- let me start over You
19 didn't really -- as you testified on Page 5 of
20 your testimony, Line 11, the first time you
21 became aware of any issues with regard to ASAP,
22 is in January of 2002. Right?
23 A Yes That is correct
24 Q So you weren't even, really, personally
25 aware that the codes had been opened back in
0530
1 October, were you?
2 A No, I was not
3 Q Isn't it true that you base your
4 testimony that the codes were open on a
5 temporary 30-day basis on an e-mail from Gary
6 Barker to Ted Gaetjen dated October 8, which you
7 have included in your testimony on Page 27?
8 A Correct.
9 Q That e-mail says "I've authorized
10 network upgrades for opening for ELCS for 30
11 days, but I have requested an expedited
12 completion " Do you see that?
13 A Yes, I do
14 Q It doesn't say that this is a temporary
15 arrangement pending execution of a contract,
16 does it?
17 A Not in that e-mail, no, sir
18 Q Are there any others upon which you
19 base your testimony that the code opening was a
20 temporary 30-day arrangement?
21 A No, sir
22 Q Take a look at the next page in your
23 attachments Page -- well, I guess it's 29, the
24 e-mail from Ted Gaetjen dated October 10, 2001
25 A Yes, sir
0531
1 Q Would you agree with me that in there
2 Mr. Gaetjen is complaining that it will take 30
3 days to get the codes opened?
4 A Correct
5 Q So to the extent there was any mention
6 at all in the correspondence about a code
7 opening, and 30 days -- at least as far as
8 Mr. Gaetjen was concerned, the 30 days was how
9 long it would take to get the codes open, not
10 how long the codes would be open pending a
11 replacement arrangement Correct?
12 A Based on this e-mail Correct
13 Q Let me see if we can rule out some
14 questions for you
15 A All right
16 Q Are you the proper witness to discuss
17 whether a call is otherwise a toll call?
18 A I am not

21 qualifications for a minute

22 A Okay

23 Q You are responsible for the switch in

24 San Marcos, aren't you?

25 A Yes, I am. The operations of the switch

1 Q And are you familiar with the way a

2 DMS100 works?

3 A Yes

4 Q Have you ever looked at the appearances

5 on the switch?

6 A No

7 Q Does it seem to you efficient for a

8 switch to be designed so that a combined class

9 4/5 switch would, in fact, have to switch from

10 the line side to the trunk side, make it go back

11 into the trunk side, and then switch out to the

12 trunk side again?

13 MS. BROWN: Your Honor, I'm going

14 to object to that question. The witness has

15 previously testified that he is not an engineer

16 and doesn't know the answer to that question

17 MR. MCCOLLOUGH: I now asked him

18 if it would be efficient for it to be that way

19 JUDGE WALSTON: Okay. He can ask

20 it. But I think he has expressed an opinion

21 that he doesn't understand that. Can you

22 answer --

23 A I can't answer that question

24 (By Mr. McCollough) You don't know?

25 A I do not know

1 Q CenturyTel has about 33,000 customers

2 in San Marcos. Right?

3 A Approximately

4 Q And CenturyTel of Fort Arkansas has

5 around 49,000?

6 A 4,900.

7 Q 4,900. I'm sorry.

8 A That's okay. I wish I had 49,000

9 It may be that big after that new

10 development down there.

11 A Yeah

12 Q But at present it's 4,900?

13 A That's correct. Approximately

14 Q So would you agree with me that

15 CenturyTel serves slightly over 50,000 access

16 lines?

17 MS. BROWN: Your Honor, I'm going

18 to object to the question because of the name

19 used. He said, "Does CenturyTel serve that

20 many?" I believe he's identified three separate

21 CenturyTel companies. I object to the form of

13 A Correct

14 Q But it is one switch that has -- that

15 is partitioned?

16 A Correct

17 Q Okay. When an end user in San Marcos

18 is calling an end user in Austin -- do you

19 remember the scenario we went through --

20 A Yes

21 Q -- going to the end user in Austin,

22 served by a terminating end office that subends

23 to Greenwood tandem. Is it your testimony that

24 the combined 4/5 switch in San Marcos will

25 switch from the line side to the trunk side of

1 the end-office switch?

2 A It will switch -- go ahead

3 Q It will then reenter the switch on the

4 trunk side and switch back out on the trunk side

5 to send it to Greenwood?

6 A I'm not sure I can answer that. That's

7 a very technical question on the Class 4/5

8 Layan's term, I would assume that it's a

9 Class -- the local side, once that call is

10 originated from the San Marcos customer, the

11 switch recognizes that it's a toll call, hands

12 it off to the toll tandem in San Marcos to pass

13 it on to the Greenwood toll tandem.

14 Q Okay

15 A Yes

16 Q Well, it may recognize it as a toll

17 call that needs to go to Greenwood

18 A Right

19 Q And, therefore, send it over to the

20 tandem partition side of the memory

21 A Correct

22 Q But will it actually switch twice?

23 A I don't think I can answer that. I'm

24 not a digital electronics engineer.

25 Q It's not CenturyTel's testimony that

1 its San Marcos operations are physically set up

2 similar to the picture in ASAP-2? And you may

3 need to grab that from the stack.

4 A 24. I don't have 24. Wait a minute.

5 Q It looks like 24 went away.

6 JUDGE WALSTON: Why don't we go

7 off the record for a second

8 (Discussion off the record)

9 JUDGE WALSTON: Back on the

10 record

11 Q (By Mr. McCollough) Do you see that

12 pictorial representation?

13 A Yes

14 Q Okay. And this pictorial

15 representation, like, depicts a tandem which is

16 separate from the end office. In other words,

17 it's not a combined 4/5 switch. Right?

18 A Correct.

19 Q Okay. And what I'm trying to get at

20 is -- let me back up and talk about your

CROSS-EXAMINATION

23 BY MR MCCOLLOUGH
24 Q Mr Navarrette, let's talk a little bit

0518 1 about an end office versus a tandem
2 A Yes, sir

3 Q Okay Would you agree with me that an
4 end office provides connections to end users on
5 the line side of an end-office switch?

6 A Yes
7 Q And an end user can reach another end

8 user -- and I'm just going to refer to what
9 we've already kind of used a couple of times
10 here ASAP Exhibit 25 An end user served by the
11 end office can call another end user served by
12 the end office, dial the number The end office
13 will provide what's called "line-to-line
14 switching " Correct?

15 A Yes
16 Q And connect the two end users?

17 A Yes.
18 Q When an end user is calling another end

19 user served by a different end office, would you
20 agree with me that the end office will switch
21 from the line side serving that end user
22 customer over to the trunk side of the
23 end-office switch for delivery to the
24 terminating end office?

25 A Yes
0519

1 Q Okay So in the trunk side of a
2 switch, it is the trunks that connect to another
3 end office. Correct?

4 A Yes
5 Q So when we use the term "trunk," what

6 we were referring to is a transport facility
7 that connects two switching entities Right?

8 A Okay Say that again It's to a trunk
9 facility?

10 Q It's a transport facility that connects
11 two switching entities

12 A Two switching entities Yes
13 Q Okay Now let's talk about a tandem

14 A tandem primarily serves to connect two
15 switching entities using trunk-side connections
16 Right?

17 A Correct
18 Q And I'm going to insert a term Tell

19 me if you don't agree with it Okay?

20 A All right
21 Q A pure tandem has only trunk-side

22 connections Right?

23 A Correct
24 Q And in the situation where a call from

25 a calling party goes from the line side of an
0520

1 end-office switch to the trunk side of the
2 end-office switch, and is routed to the trunk

3 side of the tandem, switched by that tandem and
4 routed to the terminating end-office switch

5 Finally the terminating end-office switch routes
6 it to the called party Are you with me so far?

7 A Yes.
8 Q We have three switching events. Right?

9 A Yes
10 Q Let me ask you this When an end user

11 of CenturyTel in San Marcos makes a call from
12 Austin to San Marcos -- I mean from San Marcos

13 to Austin, let's say it's an end user of
14 Southwestern Bell

15 MS BROWN I believe, Your Honor,
16 that Mr McCollough started the question with an

17 end user of San Marcos and a call from San
18 Marcos

19 MR MCCOLLOUGH Let me back up
20 I actually kind of confused myself So please

21 let me back up
22 Q (By Mr McCollough) You have a

23 CenturyTel end user in San Marcos who is trying
24 to call a Southwestern Bell end user in Austin

25 Okay?
0521

1 A Yes
2 Q And let's assume that the Southwestern

3 Bell end user in Austin is served by an end
4 office in Austin that subtends the Greenwood

5 tandem
6 A Yes

7 Q Okay In that situation, would you
8 agree with me that we will have one switching

9 event in San Marcos, one switching event at the
10 Greenwood tandem, and one switching event at the

11 end office serving the called party?
12 A I would disagree with that

13 Q Why?
14 A Actually, you would have two switching

15 events in San Marcos, because I'm assuming this
16 is a toll call

17 Q Yes, sir
18 A So I am taking it from the local switch

19 and giving it to the San Marcos tandem So I
20 have the local switch and a tandem switch So

21 I'm -- I guess you could count that as one
22 switching event in San Marcos from the local

23 class switch to the tandem switch that switches
24 to Greenwood Is that what you're asking?

25 Q And that's what I'm trying to get at
0522

1 Let's talk about the tandem switch in San
2 Marcos The end office in San Marcos is a

3 combined local tandem switch Right?

4 A Correct It's a Class 4/5 switch
5 Q It's a Class 4/5 switch It's a

6 DMS100?
7 A 100 Correct

8 Q And it can perform trunk-to-trunk
9 switching, can't it?

10 A Correct
11 Q It can also provide line-to-trunk

12 switching?